

# THE INDEPENDENT

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Joy to the world

MONDAY 9 DECEMBER 1996

WEATHER: Cloudy but dry

(IR 4SP) 40p

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The Tabloid

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Comment

**Polly Toynbee: advice for agony aunts**



Silent fight: John Major gestures during the BBC interview in which he warned his backbenchers against 'trying a bit of pork-barrel politics or a bit of arm-twisting of the Government because it has a small majority' Photograph: Tony Harris/PA

## Read my lips: I won't give way

**Anthony Bevins**  
Political Editor

John Major yesterday warned the growing band of party rebels and disidents that they could be handing the next election to Tony Blair.

There were few signs last night that his ultimatum – backed by the threat of an early election – would work.

The Prime Minister prompted further angry attacks from the Tory ranks when he used a 50-minute BBC television 'On the Record' interview to reaffirm the Cabinet's 'wait and see' policy on the European single currency. 'My position hasn't changed on these issues, and it is not going to change in the last few months before a general election.'

But he twice warned his own MPs of the risk they faced if they refused to accept that.

'Everyone is going to have to decide whether they want the prag-

### Major warns Eurosceptics, you'll lose us the election

matic. Conservative approach, or whether they want the massive extension of the European Union authority that would follow the election of a different government,' he said. 'Now that is a choice I invite my own party to examine.'

Later, turning from the 'trivial, absurd arguments, overblown and distorted as they have been' about his position on the single currency, he addressed the 'Westminster froth' of Tory MPs threatening to withdraw support for the Government.

'Any one single backbencher can have his moment of fame if he decides that he is going to be difficult on any particular issue of policy,' Mr Major said.

'Well, the Government can't be held to ransom like this. We're going to continue with our policies and

everybody will have to make their judgement whether they're going to support us or not. If they don't support us, then we may have a general election.'

'Clearly exasperated, he added: 'Are you seriously saying to me that

'on the basis that someone is trying a bit of pork-barrel politics or a bit of arm-twisting of the Government because it has a small majority.'

'Taking a similarly unequivocal line on the single currency, Mr Major said: 'It is in the national

interest to be in there, negotiating.'

As for the Eurosceptic suggestion that a 'fudge' on the terms of single currency membership could provide the perfect pretext for Mr Major to rule out British participa-

tion in the initial launch of the currency, in 1999, he said that made it even more imperative that Britain should be part of the negotiations.

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will.' But the Tory Eurosceptics showed no sign of retreat in advance of this week's two-day Commons debate, the weekend Dublin summit – and the Barnsley East by-election that will formally wipe out the Tory majority for the first time since 1979.

John Redwood said no one was asking Mr Major to leave the negotiations. Brussels was now 'knee-deep in fudge', and he added: 'Most people in the party feel that you influence a debate by having a view.'

Labour's Deputy Leader, John Prescott, told a Welsh Labour Party gala dinner: 'John Major's 28th re-launch has failed to stem the tide of defections and the Tories now have more defectors than the KGB.'

The Liberal Democrat leader, Paddy Ashdown, said: 'He has at last said he will put the national interest before party interests. If he had established this earlier his party would not be in the mess it is.'

'Building Europe is not at all like poker. It is a game that cannot be played in fuggy backrooms. It has to be played out in public' – *Leading article, page 11*

any of these backbenchers would rather have Mr Blair going off to Amsterdam in June to negotiate a social chapter?

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interest for Britain to be in there, negotiating.'

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## Police guard 'road rage' victim's fiancée

**Charlie Bain**

Tracie Andrews, the fiancée of the alleged 'road rage' murder victim Lee Harvey who was arrested in connection with his death over the weekend, remained in hospital under police guard last night after doctors said she was too ill to be interviewed.

Ms Andrews, 27, was admitted to hospital last Wednesday after reportedly overdosing on sleeping tablets and tranquillisers. Police yesterday declined to name the woman they had arrested, but sources close to the inquiry confirmed that it was Ms Andrews, and that it could be a week before she would be well enough to be interrogated.

Mr Harvey, 25, had his throat slashed and was stabbed more than 15 times in an isolated country lane near his home in the Worcestershire village of Alvechurch a week ago. The only witness was Ms Andrews, who told police the attack happened after the couple's white Ford Es-



Tracie Andrews: Beaten up in the alleged 'road rage' attack, she is said to have taken an overdose and then been arrested

erned by a police surgeon and taken to hospital. We have not and will not confirm the identity of that person.'

Mr Johnston said inquiries were still continuing and appealed to anyone who had spotted Mr Harvey's car or any other vehicle travelling between the Marlbrook public house in Bromsgrove, where the couple had spent last Sunday evening, and the scene of the murder to come forward.

He said that searches were still continuing around the murder scene but he was not aware of any important finds. Asked if he was still looking for anyone else in connection with the murder, Mr Johnston repeated his appeal for anyone who spotted the white Escort or any other vehicle on the alleged route to come forward.

At a press conference yesterday Detective Superintendent Ian Johnston, leading the murder inquiry, said: 'We wish to confirm that yesterday a 27-year-old woman was arrested in connection with the murder of Lee Harvey. In accordance with our duty of care, she was examined

## Job schemes too confused for trainees

**Exclusive**

**Fran Abrams**

The Government's attempts to cut unemployment are badly co-ordinated, confusing and often of low quality, according to a leaked report from the bodies set up by ministers to oversee training for people out of work.

The draft policy document, which will be used to lobby ministers, civil servants, employers and industry, is said to prove highly embarrassing.

Drawn up by the national coordinating body for the 81 Training and Enterprise Councils in England and Wales, it also says the benefits system discourages unemployed people from looking for work. The TECs spend £1.2bn each year on training programmes which also include posts for young people.

The work in progress, leaked to Labour's Employment spokesman, Stephen Byers, is expected to be completed within the next month.

It will detail a 'confusing array of opportunities' and complex rules which the TECs believe put Britain's two million jobless and lessen the usefulness of government schemes.

It also says that forcing people to go on programmes by threatening to cut off their benefit demotivates them further. One of five policy documents being produced by the TECs in an attempt to co-ordinate policy and to tackle fundamental issues on unemployment, it says opportunities often fail to relate to the needs of employers.

## QUICKLY

**Major no to Sinn Fein**  
A 'phoney' IRA ceasefire would not give Sinn Fein access to the political talks being held between the Government and the parties of Northern Ireland, John Major warned. Page 2

## Vote stays rigged

The Serbian authorities dashed hopes of a compromise in the nation's growing political crisis yesterday when the Supreme Court rejected an opposition appeal against the official rigging of election results. Page 8

## Fighter jet millions

British aerospace factories stand to earn tens of millions of pounds after Boeing was shortlisted for the project to build the next generation fighter jet for the US and Britain. Page 16

## Research shows that the

biggest disincentive to unemployed people thinking of going back to college is the fear that they will lose their benefit if they do so. The social security system is inflexible, and does not encourage people to take low-paid or part-time jobs, the report says. The Job Seekers' Allowance which was introduced in October and which compels claimants to sign agreements to look for work, will only make matters worse.

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Mr Byers said the document was 'the clearest possible condemnation of the Government's failure to adequately tackle the question of long-term unemployment.' A spokesman for the TECs said the document had not yet been finalised. 'It is invidious to think we are in the business of criticising the Government, full stop. We are trying to influence the thinking of ministers, civil servants and other bodies,' he said.

A spokeswoman for the Department for Education and Employment said it had not yet seen the criticisms but that they would be studied with interest.

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news

# Father to sue over 'mad cow' death

Clare Garner

The father of two young children whose mother died of the human equivalent of mad cow disease is to sue the Government for compensation on their behalf. In the first case of its kind, Thomas Kerr, 41, is seeking damages for Gemma, nine, and John, seven, who are now being brought up by their 65-year-old grandmother.

When Mr Kerr's ex-wife, Janice Stuart, died in September, aged 35, she became the 13th person in the UK to have contracted the new variant of Creutzfeldt-Jakob Disease (CJD). Since then, a 14th case of the new strain of the degenerative brain disease has been recorded.

Mr Kerr, of Milton of Campsie, near Glasgow, intends to prove that the Government was negligent in failing to warn the public of the dangers of eating beef. If his legal action is successful it will open the floodgates for claims from other families of victims.

Two weeks ago *The Independent* revealed that, according to new estimates based on cases such as Ms Stuart, the new variant of CJD could kill hundreds of people every year, reaching a peak in about seven years.

Unlike the normal form of CJD which usually affects people over 60, the new variant of CJD has mostly affected people under 40, including a number of teenagers. It is unpredictable, and the symptoms, which take two years to develop, include depression and failing coordination, followed by dementia and coma leading to death.

Ms Stuart was treated for depression for almost 10 months before she was admitted to the psychiatric unit of Woodilee Hospital, at Kirkintilloch, Strathclyde, in August. When she became unsteady on her

feet, doctors thought it was the side-effects of anti-depressants. Confirmation that she had been suffering from the new strain of CJD came only after her death.

Mr Kerr, a housing manager with East Dunbartonshire council, only learnt that his ex-wife was seriously ill when her mother contacted him in August. He had not seen his two children since his divorce two years earlier.

This weekend he insisted that in taking the case to court he was not seeking to gain personally. "As far as I am concerned they [the Government] allowed it to happen, and I am confident it can be shown that it is the Government which must take responsibility for these deaths," he said.

To his former mother-in-law, Eleanor, no amount of money can compensate for the loss of her daughter. Speaking from her home in Stirlingshire yesterday she said: "I'm all for justice, but there's no money could compensate for a life of a dear person – and a mother."

She added, however, that she wanted the public to be made aware of the "cover-up" and would be pleased if the children, for whom she has always been a "second mum", were awarded compensation in the process. "If Gemma and John get compensation I'll be really pleased for them. They're only nine and seven. I'm 65. I'll not be here forever."

Mr Kerr, who has the backing of his local MP, Tom Clarke, is prepared for a long campaign. "I will see this right through to the end and I won't stop until Gemma and John get what is rightly due to them, or until they are refused," he said. "There is something morally wrong about this situation, and if at the end of the day they can benefit from me drawing attention to it, then so much the better."

Julie Richards, of the National Museum and Gallery in Cardiff, trying on The Pavlovian Trainer, a piece of jewellery by Ira Sherman, designed to curb verbosity – part of the touring exhibition 'New Times, New Thinking: Jewellery in Europe and America', in Cardiff until March. Photograph: Rob

## Jeweller rings bells with head-turning gag



## Call to keep morality out of school

Judith Judd  
Education Editor

Government advisers on the National Curriculum should steer clear of morality, a right-wing think tank warns today.

A pamphlet from Policyria says plans to issue a list of moral values for schools will harm rather than help the teaching of morality and threaten academic study. Dr John Marenbon, the author, who is a fellow of Trinity College Cambridge, ridicules the proposal from the School Curriculum and Assessment Authority, which has drawn up the list, that morals should be taught in all lessons including the humanities, science and even PE.

"Moral mathematics is not discussed but no doubt the best brains in the authority are working on it," he says. The guidelines, says Dr Marenbon, are vacuous. They are neither precise rules of behaviour such as "Don't lie" or "Keep your promises" nor general moral first principles such as "Act so as to maximise the balance of pleasure over pain in the universe" and "Act in accord with what you believe to be God's wishes."

Instead, in their desire to avoid disagreement, the advisers have resorted to a set of middle-level principles, many of which are contradictory. For instance, the pamphlet says, children are told they must "try to understand their own character, strength and weaknesses" and immediately afterwards "to develop a sense of self-worth".

"But what human is there who does not value himself less the better he knows himself?" asks Dr Marenbon. Equally questionable, he says, is the idea that pupils should "preserve areas of beauty wherever possible." It is rarely impossible to preserve a beautiful area but this may conflict with other principles in the list such as increasing economic prosperity.

■ *A Moral Maze: government values in education* from Policyria, 28 Charing Cross Road, London. Price £5.

## The Sons of Cornwall are on the march, and this time it's away from London

Half a millennium ago, 15,000 Cornish rebels marched on London. Now thousands of Cornish people are planning to do it again in the form of a commemorative march calling for greater investment in the region and the cutting of ties to England.

A resurgence in Celtic language and music together with chronic unemployment and perceived "racism" by the English have reinforced the concept of Cornish identity to unprecedented levels in modern times.

A record number of Cornish Nationalist candidates will stand in the General Election, on a platform which demands Cornish language lessons in schools and a separate Cornish Assembly.

Nationalist politicians will be seeking to capitalise on the 500th anniversary of the An Gof rebellion next year, when 15,000 Cornish marched on London and fought the English army at Blackheath, south of the capital.

The 1497 rebellion, a protest at an English tax levied to raise money for a war in Scotland, led to the drawing and quartering of the two leaders, Michael Joseph An Gof and Thomas Flamank, and the death in battle of 2,000 rebels. In May, the march will be re-enacted peacefully, culminating in a mass celebration of the Cornish identity in London, with trade shows and cultural performances including a service in the Tower of London and a concert by the Cornwall Youth Orchestra in the Barbican.

Although the celebrations are ostensibly non-political, and will include those who do not advocate separation, they represent a great opportunity for the nationalists. Dick Cole, spokesman for the Mehbyon Kernow (Sons of Cornwall) Party, said: "This is a very important year for us. We have got to go for it." Mehbyon Kernow's candidate for South East Cornwall is Paul Dunbar, 49, a vineyard-owner from Liskeard.

West of the Tamar, the beat of the nationalist drum can be heard again, writes Ian Burrell

Already canvassing for votes, he is angry at the drain of local workers across the River Tamar to "England".

"What we need in South East Cornwall is the emphasis on indigenous enterprise and reducing the necessity for people to commute to Plymouth. It's over

century ago, the bottom fell out of the mining industry and Cornwall collapsed. It has taken 100 years for it to reclaim its identity again.

"Cornish nationalism has become more sophisticated and organised, looking to promote the Cornish as an indigenous British ethnic group who should have the same status afforded to the Welsh and Scotland."

Rob Burton, a lecturer at the University of Exeter, has carried out research comparing the Cornish situation with the national identities which have emerged in the former Yugoslavia. He said: "What has been interesting is the resurgence of Cornish identity among young people." Cornish youth has adopted surfing as its national sport, with participants decorating their boards with Celtic symbols, and the yellow Cornish tartan has become fashionable as a mini-skirt.

Many first-time voters were born during the 1970s when an earlier revival in Celtic identity, led to many young people being brought up to speak Cornish. The cultural revival has also been stirred by interest from the migrant communities of the Cornish diaspora who left after the collapse of the mining industry to start new lives in America, Australia and Mexico.

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The ancient Cornish Stannary Parliament, based in Truro, has applied to the National Statistics Office demanding that respondents to the 2001 Census be allowed to describe their racial status as "Cornish". There are nearly half a million people living in Cornwall, of which roughly half were born Cornish though many newcomers have also embraced the culture.

The Stannary Parliament was set up by charter by Henry VII in 1508 and maintains the right to veto English legislation. In reality, the parliament has little power and in turn believes that Cornwall County Council, which is responsible for the day to day running of the region, does nothing more than pay lip service to London.

Senior members of the parliament are furious with Prince Charles for his perceived bias towards the English in the Duchy of Cornwall. They are especially angered by his decision to allow English Heritage to take care of Tintagel Castle, which is believed to be the ancient seat of King Arthur's court. Colin Murley, one of the Cornish parliament's Stanniators, is no Royalist. "Prince Charles is obviously more interested in promoting the English nation than the Cornish," he said.

Paul Dunbar: "Our agenda is set in Cornwall for Cornwall"

the border, it's big enough already and it doesn't do us any good," he said.

Alan M Kent, who is among a new breed of young Cornish novelists and poets, said: "The new literature is looking at the real Cornwall not the Cornwall of Ross Poldark and historical romance or the Cornwall of Arthurian legend. It's a rebirth after 100 years of stagnation. A

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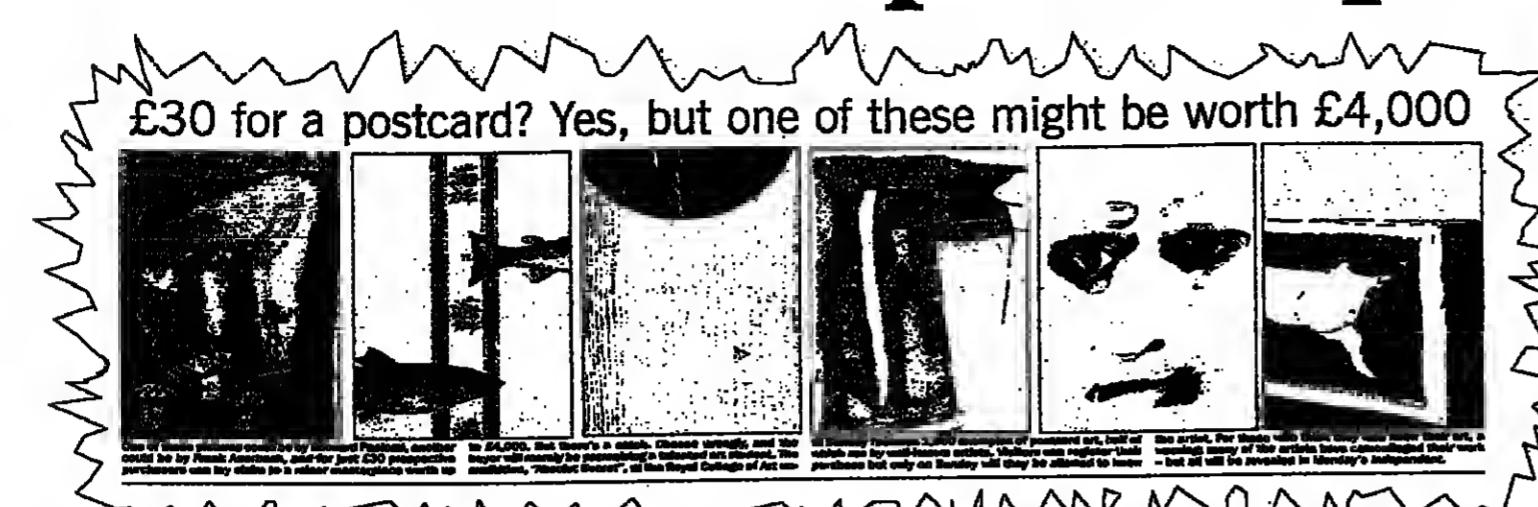
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# Art student picks up a small fortune



Answers on a postcard: The six works above were featured on the front of *The Independent* last Thursday. The artists were (in the order the pictures are shown): Michael Rooney, Royal Academician; Rob Kesseler, student; Alan Smith, teacher at the RCA; Peter Blake; Patrick Proctor, Royal Academician; David Bowie

**David Lister**  
Arts News Editor

An art student, Perie Kemal-Orek, 27, hit the jackpot at the Royal College of Art's charity sale of unsigned postcard-sized paintings.

She paid £30 for what turned out to be the most valuable work among the 1,600 on display – an acrylic cityscape by Frank Auerbach, estimated to be worth £4,000.

It was not a lucky guess. Ms Kemal-Orek said yesterday when the names of the artists were revealed by the Royal College. "A friend of mine bought an Auerbach last year, and I

studied it. This one was very similar in style. As soon as I saw it I knew it was him. But there was a lot of pastiches around."

Ms Kemal-Orek has applied to study at the RCA, having completed a fine art degree course at Birmingham. The RCA exhibition – at which all the postcard-sized works, signed only on the reverse, were on sale for £30 – proved treacherously fortunate for her. As well as the Auerbach she bought a work by the abstract painter Albert Irvin, whose style she also recognised, and which is estimated to be worth £500. She also exhibited a still life herself, which got her £30 of her £60 expenditure back.

"The two I bought have turned out to be worth a lot," she said, "but I won't sell them unless I fall on very hard times. I want to start my own collection, like Degas."

The exhibition and sale of works entitled "Absolut Secret", raised £40,000 for the students' hardship fund at the Royal College of Art. The sponsor, Absolut Vodka, is giving an extra £5,000.

Many of the 600 exhibitors were students but more than half were well known artists, including Eduardo Paolozzi, Paula Rego,

Maggi Hambling, Sir Denys Lasdun and Elizabeth Blackadder. Even for the cognoscenti there were traps. Purchasers who thought they recognised Peter Blake's style might have ended up with a work by another member of his family: his nine-year-old daughter Rose also

had an entry in the exhibition. Susie Allen, who curated the four-day exhibition, at which every work was sold, said: "It really caught the public imagination. There were queues of over 200 at a time to buy the postcard-sized paintings and drawings. Because there were

no signatures on them, everyone was in the same situation. They had to choose from the heart. And certainly they didn't all guess right. One person was dancing with delight certain he had bought one by Antón Tapies, Spain's best living artist. It was by a student."



Not for sale: Perie Kemal-Orek with purchases, which she says will form part of the collection she is building up, "like Degas".

Photograph: Mykel Nicolau



Prize image: A closer look at the Auerbach postcard

## GPs' spending on private care for patients soars

**Fran Abrams**  
Political Correspondent

Family doctors are spending fourteen times as much money on private health care for their patients as they were four years ago, a health minister has revealed.

The figures, given in response to questions from a Labour MP, show that fundholding general practitioners spent £52.5 million in the private sector in 1994-5. In 1991-2, they spent just £3.7 million.

Kevin Hughes, a Labour whip and member for Doncaster North, says that in his own constituency GPs spent more than £500,000 outside the NHS, while the local hospital had to close wards because of the loss of income it had suffered.

Fundholding GPs, who now make up more than half of the total number, receive their budgets from their local health authorities but are able to spend them where they choose.

Mr Hughes said that private providers were often able to offer cheaper services because they only took on routine cas-

es while NHS hospitals had to offer expensive emergency and long-term care. "The government is slowly but surely privatising the health service. Whilst they are saying they are not doing this, more and more money is being spent in the private sector."

The British Medical Association says that most of the money spent in this way is used for fertility services, abortions and hospices. Fundholders also use their extra freedom to "bulk buy" anything from knee operations to care for the terminally ill, and are able to save money by doing so.

A spokeswoman for the Department of Health said some of the money could be being spent with charitable organisations.

"Both health authorities and GP fund-holders are charged with purchasing the best possible care whether this is NHS or other providers," she said.

### DAILY POEM

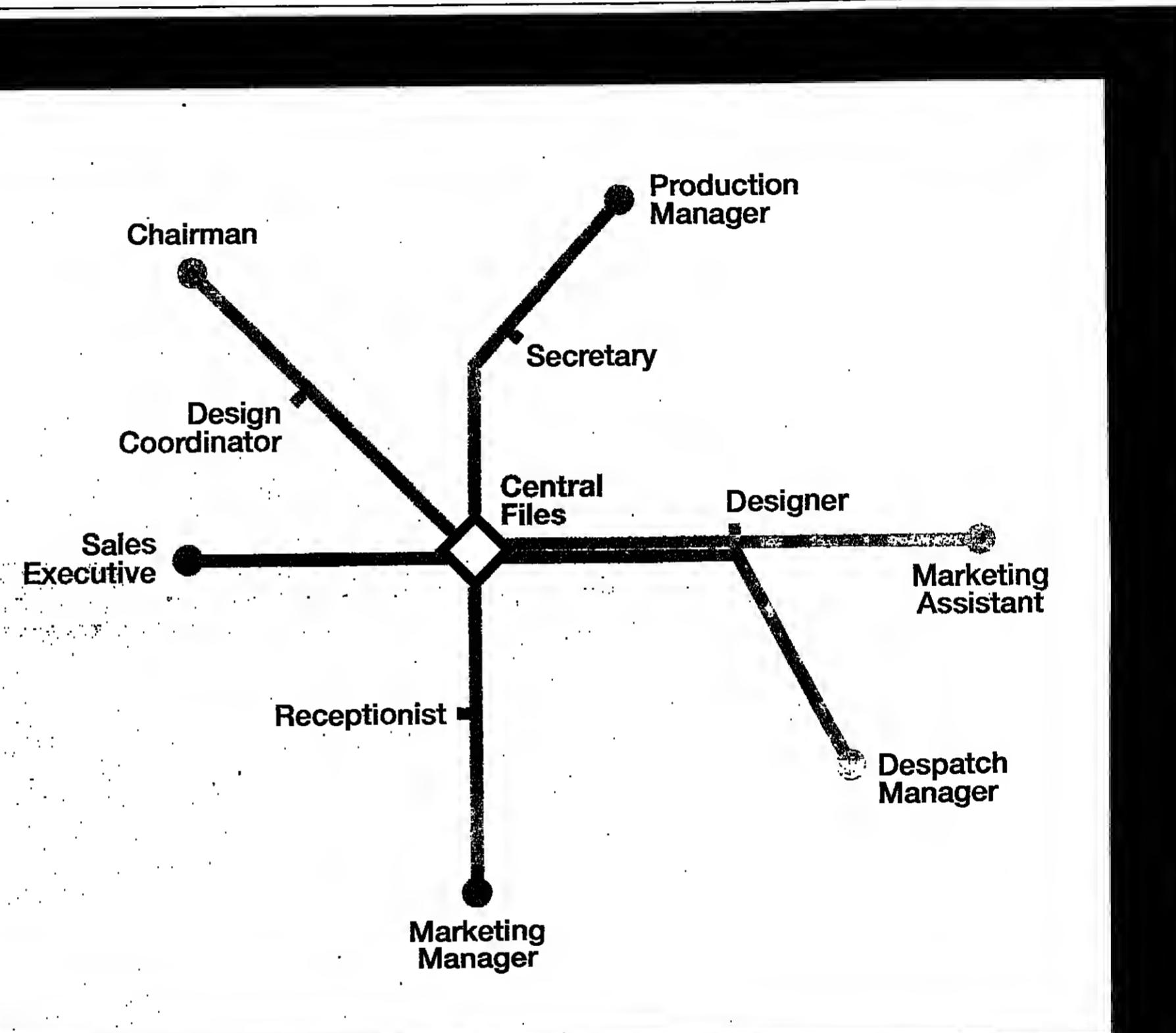
#### Voice

By Liu Hongbin  
(translated by Elaine Feinstein)

As soon as we leave the tunnel of our birth, even before our bodies are cleaned of blood we all cry out, and those sharp cries are the first signs of our talent for speech. Later we escape in many directions, and our voices are lamps of fire in the rain, which fly up looking for their own light as flocks of birds rush through the trees or birdsong falls along forest paths. That is how our voices mingle with air. Who can forbid something so natural?

World, we must have a talk about this. We don't need any language to do it. Nature's a womb not a refrigerator. Our voices which are spacious as the sky, must not be frozen in us or we die.

The tongue is an unruly organ, writes Liu Hongbin. There is an old Chinese saying: "Trouble comes out of the mouth." The etymology of the word "prison" in Chinese stems from the concept of curtailed free speech. Prison is symbolised by two dogs guarding the mouth. China has been a prison for free speech for thousands of years, from the time of the first Emperor, Qin, who burned all books and buried scholars alive. In this century the Communists allowed only one voice – their own. ■ To mark Human Rights Day tomorrow, Liu Hongbin reads with James Fenton at the City Church of St Michael, Cornmarket, Oxford at 8pm.



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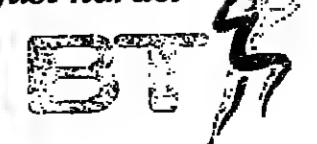
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# Synthetic crop imported into UK without licence Genetically altered maize is already in Britain

Nicholas Schoon  
Environment Correspondent

Genetically engineered maize from the United States is already in Britain even though it has received no EU licence, one of the country's largest grain and feed importers has told *The Independent*.

Maize gluten made from the US crop will be fed to farm animals. The importer, Cargill, which has also just taken delivery of the first harvest of genetically engineered soya beans from the USA, says marketing of maize in this form is legal because it has been processed.

The European Commission still has to decide whether to allow the sale and the sowing of the maize inside the EU, two years after the firm first applied for permission. Today, environment ministers from the 15 member states, including John Gummer, will be briefed on the issue when they meet in Brussels.

The maize affair, unveiled by *The Independent* last week, has revealed loopholes in EU law covering genetically modified organisms (GMOs). For while the application for the new synthetic maize has run into severe delays, it has already begun to arrive in Europe from the USA where it has been approved, grown and harvested. No move has been made to prevent this happening – by Britain or any other member state.

The crop, made by Swiss pharmaceuticals and chemicals giant CIBA, has also been approved in Canada and Japan. It contains a gene from a bacterium which gives resistance to an antibiotic, ampicillin.

It also contains genes from two other bacteria. One makes the plant resistant to a weed killer and the other allows the maize to poison the corn borer, a destructive caterpillar which is difficult to kill with pesticides because it feeds deep inside maize plants.

The fear, first raised by British experts, was that the antibiotic resistance gene could find its way from maize which had been eaten into one of the

## Manufacturers not obliged to label modified processed food

Within a year, a huge variety of foods and drinks on Britain's supermarket shelves will have ingredients made from genetically engineered plants inside them.

But a forthcoming European Union law on compulsory labelling of foods derived from "genetically modified organisms", or GMOs, will make very little difference, according to the British government. The majority of them will still not have to be labelled.

Britain's interpretation is that under the proposed "novel food regulation" only living GMOs in food products will have to be labelled. Thus a vegetable which had genes from a bacterium inserted into it, or a yogurt in which the culture is live, would have to be declared to consumers on the packaging.

But products which had been processed so that the GMO was killed and its genetic material damaged would need no label, said a spokesman for the Ministry of Agriculture.

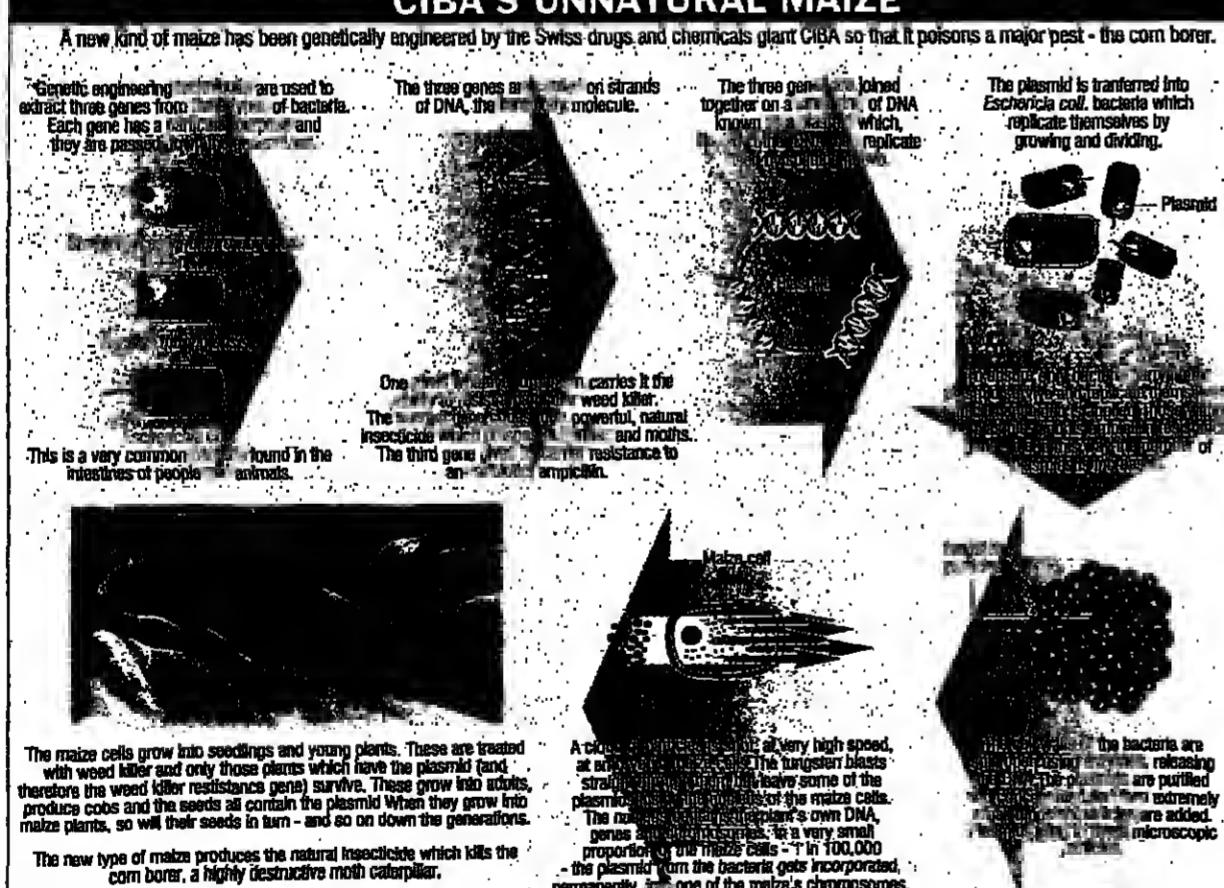
Such products are about to become commonplace because the United States, the world's biggest food exporter, began growing GMO versions of two

many types of bacteria living in the intestines of farm animals and humans. If a harmful strain of that bacteria then arose it could not be treated with ampicillin.

One source in the Department of the Environment said leaving the ampicillin resistance gene in the end product was "sloppy genetic engineering". While it was required to develop the new maize (see graphic) it could have been removed later on.

But CIBA says ampicillin resistance is already widespread in gut bacteria due to the overuse of this antibiotic. Furthermore, scientists have found a way of modifying ampicillin-type drugs to make them overcome the resistance problem. Those are not expected for another week.

### CIBA'S UNNATURAL MAIZE



or two. While all this was going on the giant US maize crop – the world's largest – was being harvested and collected. CIBA's new maize had also been grown there for the first time this summer and comprised a little less than one per cent of the crop. Both conventional maize and the genetically modified kind were mixed together and it is now impossible to separate them.

The first of the crop to reach Britain and Europe a few weeks ago was processed maize gluten. The importers and the UK Government say the European directive does not cover this material, because heating and mashing has effectively destroyed the genes within it.

The European Commission has written to member states saying it understands thousands of tonnes of US maize have been arriving at major European ports including Rotterdam, Lisbon and Barcelona each week since the beginning of October.

It calls on them "to organise inspections and other control measures" to ensure the directive is complied with – which means no sale or release of the new maize inside Europe.

Last month the EU Environment Commissioner, Ritt Bjerregaard, declared: "It will not be possible to import ... genetically modified maize in accordance with the directive until the Commission has taken a decision."

But Britain has not taken any steps to prevent imports. A Department of the Environment spokesman warned of the dangers of a trade war and said: "The only way this could have been done was through concerted European action."

If the three scientific committees and then the commission give approval, large quantities of the new maize are expected to be grown in France and southern Europe where the corn borer is a real problem for farmers. It will then be imported into Britain, for use in a wide variety of human food and drink and animal feed stuffs.



Resting: Ginny Holder, who plays Snow Drop, taking a break during a performance of *Beauty and the Beast* at the Theatre Royal, Stratford East, London

Photograph: Laurie Lewis

## Countryside 'is starting to look like theme park'

Stephen Goodwin  
Heritage Correspondent

A proliferation of show-farms, garden centres and heritage sites is threatening to turn the countryside into a "Merrie England theme park", according to the Council for the Protection of Rural England.

In a report, *The Cluttered Countryside*, to be published today, the conservation charity warns of the cumulative and suburbanising effect of changes, from white-on-brown tourist signs to golf courses.

"Tourism is a rough and demanding lover," observes the council. But equally damaging to the landscape is the rash of telecommunication masts put up by mobile phone companies, and the garish fascias of petrol stations.

Only last week, John Gummer, the Secretary of State for the Environment, spoke out against neat, "homogeneous world" in which diversity was ironed out by commerce. Some of Mr Gummer's dislikes, such as out-of-town shopping centres and anonymous housing estates on green field sites, are shared by the council. But the Secretary of State would balk at



Jonathan Dimbleby: Get rid of 'unnecessary paraphernalia'

the charity's regulatory prescription.

At today's launch of the report, broadcaster Jonathan Dimbleby, the council's president, will stress the value of a countryside free of the "unnecessary paraphernalia" of modern society. "Reclaiming the countryside from the tide of clutter would be good for business as well as the environment."

The report starts from the premise that ugliness, like beauty, comes in small packages. While there may be a big fuss over a new dual carriage-way, the slow accretion of changes such

as an advertising hoarding, a glass phone box or a signpost throttles the countryside by stealth.

Though the council insists that protecting the countryside is not reactionary, it recommends would require a hefty tranche of legislation. High priority is given to curbing "brown sign" disease.

Originally the signs were restricted to tourist attractions with more than 20,000 visitors a year. Now they are available to almost anyone willing to meet the cost. To Mr Gummer's department, however, it is a case of "balancing safeguards for the countryside against economic needs".

The council wants the signs made subject to the same controls as advertising and a limit set on the number of businesses qualifying. It also recommends

tightening planning controls on caravan sites, "land-hungry" leisure developments such as golf courses, farm buildings and telecommunications masts.

Masts are regarded by conservationists as the most serious current threat to the skyline. Those less than 15 metres high are effectively free of planning controls – approval can be refused within 28 days if there is a "serious threat to amenity" – and councils have been instructed to "respond positively" to applications to erect taller ones.

New masts should be a last resort and mobile phone companies should share, rather than duplicate, equipment says the council. If England is to retain a landscape worthy of the name, it cannot afford "an uncontrolled weedgrowth of ironmongery" on the hills.



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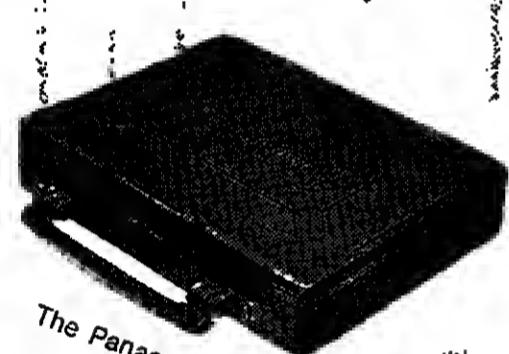
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## 8 international

# Milosevic thwarts opposition as court annuls poll victories

**Tony Barber**  
Belgrade

Serbia's Socialist authorities dashed hopes of a compromise in the nation's growing political crisis yesterday when the Supreme Court rejected an opposition appeal against official rigging of election results.

Within hours of the court's ruling, thousands of students and other anti-government protesters were marching in central Belgrade and the opposition Zajedno (Together) coalition vowed to prolong the three-week-old street demonstrations until President Slobodan Milosevic lost power.

Opposition leaders were clearly taken aback by the court's decision, which followed several signals from the authorities last week that they wanted to take the heat out of the crisis. Vuk Draskovic, one of Zajedno's three main leaders, said he feared Mr Milosevic was trying to goad the opposition into abandoning its peaceful methods of protest.

"I am expecting that tomorrow, the day after tomorrow, sometime soon, Milosevic will use police, maybe even the army, but we will not stop," he said. "He can arrest all of us, all of Serbia, but the only person in prison will be himself."

However, an opposition political adviser, Milan Bozic, said Mr Milosevic was more likely to try to grind down the opposition without force. "Maybe he will try to make General Winter do his work," he said.

By rejecting opposition demands that their victory in last month's municipal elections in Belgrade should be upheld, Mr Milosevic seems certain to incur still more criticism from Western governments. Having reacted cautiously when the street protests broke out, the United States and the European Union have gradually toughened their stance.

They say the verdict of the electorate in Belgrade and 14 other large towns where the op-



Unstoppable force: Zoran Djordjevic, opposition victor in Belgrade's municipal elections, greeting demonstrators in the city this weekend. Photograph: AP

position defeated the ruling Socialists must be respected if Serbia wants to return to international respectability. In particular, the EU will continue to deny Serbia preferential trade terms, and Mr Milosevic will not have access to international credits, essential to hauling Serbia out of its economic mess.

Although nothing is certain in a land where the law is sub-

ject to official whim, the Supreme Court's decision seemed to wipe out the prospect that Mr Milosevic might eventually acknowledge the opposition's electoral victory in Belgrade. The court decided that if five out of 46 electoral seats under review, opposition victories had been justifiably annulled.

Lawyers for the opposition said this decision indicated that

the same ruling would apply to the other 41 seats. However, even the loss of five seats would be enough to deprive the opposition of an overall majority in the 110-seat city council, since the total number of seats under its control would fall from 60 to 55.

The court's ruling bore all the hallmarks of a classic Milosevic ploy designed to confuse his op-

ponents. For the court dangled the prospect before the opposition of having exactly half the seats in Belgrade's city council and thereby acquiring just a taste of political power for the first time in Serbia since 1945.

At the same time, by switching the focus of the crisis to the obscure legal processes of the Supreme Court, Mr Milosevic has tried to divert attention

from the central issue: whether he should remain in power.

The opposition had hoped that, by winning recognition of its municipal election victories, it could build a platform for challenging Mr Milosevic in national polls next year. However, the court's ruling suggests the president will never let the opposition come to power through the ballot box.

## A Basque daughter dedicated to forgiveness

**Elizabeth Nash**

On 26 March 1982, Cristina Cuesta, then 19, received a telephone call at home in the Basque City of San Sebastian to say that her father, Enrique, regional manager of the state telephone company, had been shot by an Eta hit squad as he was walking home for lunch. The separatists suspected him of tapping phones under police instructions and had killed his predecessor the year before for the same reason.

Cristina accompanied her father to hospital where he died. The horror transformed this middle-class, unpolitical Basque teenager into a campaigner who has persuaded tens of thousands to overcome their fear of Eta violence. She pioneered a pacifist movement that demonstrates silently against Eta gunmen several times a week throughout the Basque country. Last week she was nominated for the EU's Women of Europe prize.

After Enrique's death, Cristina's mother had a nervous breakdown. Her sister Irene was only 14. Cristina abandoned journalism studies and took a job at Telefónica herself to support the family. "Fellow Basques killed my father supposedly to improve the conditions of other Basques, and

### LOCAL HEROES

had made us victims," she says. "This thought obsessed me."

She talks with an intensity lightened by humour, showing no trace of the hatred she says dogged her for years. "Every time they announced the death or torture of an Eta member, I rejoiced. I couldn't forget. My friends found me impossible. But one day I decided I didn't want to恨."

The turning point was the disappearance of an Eta suspect, Mikel Zabalza, detained in 1983 by the Civil Guard and later found face down in a river. "Statements by Mr Zabalza's mother affected me deeply. We were on opposite sides of the trenches, but I realised her grief was the same as mine and for the same reason."

Cristina resolved to seek reconciliation, and to encourage victims of violence to become more active. Her sister Irene was only 14. Cristina abandoned journalism studies and took a job at Telefónica herself to support the family. "Fellow Basques killed my father supposedly to improve the conditions of other Basques, and



Cristina Cuesta: "I decided I didn't want to keep on hating"

bling appealed to fellow victims, including Mr Zabalza's mother, to join her in a process of pardon and reconciliation.

Within two months, she received 3,000 letters of support and organised a meeting of those who had suffered on both sides of the Basque conflict.

"People began to gather together and overcome their fear, and these were the seeds of today's peace movement." Cristina devotes her life to the campaign, but still works at Telefónica. Her team offers support and professional help for "people threatened by Eta or beaten up by the police", and tries to promote its message in schools.

"But it is difficult because the teachers are divided and pro-Eta youth groups are well organised."

Radical young Eta sympathisers hurl stones and insults at

## French no friends of *flexibilité*

**Mary Dejevsky**  
Paris

Speaking in Nice last week, the former Prime Minister Edouard Balladur did something that no French politician with even one eye on power would be advised to do. He called in direct and unapologetic terms for greater flexibility in employment policy.

He said there should be simpler labour legislation, more and longer temporary contracts and a reduction in the sick-pay and other social obligations on small companies. He even suggested pilot projects in selected regions. It was a choice, he said, between "reform or decline".

Even four weeks ago, such sentiments were taboo. Then, the Prime Minister, Alain Juppé, had only hinted that he might be considering a softening of employment protection legislation to prompt headlines like "Juppé's charter for sacking" and an immediate denial from his office that there was "any plan to make sacking easier".

In the weeks that have followed, however, flexibility has become a buzzword heard not just from predictable quarters such as the Thatcherite right of Alain Madelin, but increasingly from officials and even the occasional minister. Like it or not—and the French public do not like it at all—"flexibility" is insinuating itself into the political agenda.

The government may have capitulated to the lorry drivers and it may have performed a spectacularly retrogressive U-

turn on the privatisation of the Thomson group, but it is talking more and more about job "flexibility" as a way of reducing the 12.6 per cent unemployment rate. It is as though the government is trying, by constant low-key bombardment of the word, to soften up public opinion.

"Flexibility" was used repeatedly in a television discussion programme this week by Mr Balladur's former spokesman and budget minister Nicolas Sarkozy, who is tipped to regain a ministry in the next cabinet reshuffle. Why not extend the possibility of temporary contracts beyond the present 18 months? he asked. At present such a contract has either to be made permanent or terminated after that time.

The left-leaning trade unions have taken a very dim view of the intrusion of "flexibility" into ministerial pronouncements. The Socialist Party has also voiced objections to any modification to labour laws "towards greater flexibility in dismissals". Part of the old-style Gaullist right also dislikes the new vocabulary and what they see as the American and British-style hiring and firing mentality that goes with it. In a clear dig at "reformers" like Mr Juppé, the former Interior Minister Charles Pasqua told Gaullists last weekend that he was "not ready to exchange the slogan of the French Republic—*liberté, égalité, fraternité*—for something supposedly more modern like *stabilité, compétitivité*... and *flexibilité*".

## Italy prays Di Pietro is cleared

**Andrew Gumbel**  
Rome

Last night they were saying a mass for Antonio Di Pietro in his home town of Montenero di Bisaccia in the mountains of central Italy. At his present residence of Curno, near Milan, a group of supporters staged a silent march to show their solidarity for a national hero in his hour of need.

Italy has spent the weekend in a state of shock after Mr Di Pietro, star of the anti-corruption investigations that

toppled the old political order four years ago, had all his homes and offices searched by police who believe he may have been corrupted by the very politicians and businessmen he once prosecuted.

The affair, which has seethed ever since Mr Di Pietro unexpectedly resigned from the magistrature two years ago, has blown up into a national controversy over the past few months, as Mr Di Pietro first joined the present government as public works minister, and then resigned last month

because of the growing judicial case against him.

Yesterday, Mr Di Pietro broke a 48-hour silence to lambast his enemies for mounting a "squalid vendetta" against him. According to judicial sources, the suspicion which prompted Friday's police raids is that he accepted money from a key witness in the anti-corruption investigations, a Swiss-based banker called Pierfrancesco Pacini Battaglia who was questioned for 11 hours in 1993 and then released. Mr Pacini Battaglia has re-

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# Rebels threaten end to Mobutu era

David Orr  
Nairobi

Rebels in eastern Zaire are advancing rapidly into the heart of the central African rainforest. Already they hold a 350-mile long front parallel to the Rwandan border. Bunka, the last government-held town in the east, was reported to be surrounded yesterday. Zaire's Information Minister, Bogou Makeli, speaking in the capital Kinshasa, said fighting in Bunka had left 10 dead. Rebels also claim to have surrounded Kisangani, the largest town in eastern Zaire.

Having routed the Zairean army (FAZ) last month and established a swathe of liberated territory in the east, they intend to overthrow the

Zairean President Mobutu Sese Seko, who remains in the south of France recovering from a cancer operation.

What might have been dismissed as a localised self-defence campaign has grown into a movement with strong national aspirations. As evidence of their seriousness, the rebels have named the area under their control Democratic Congo. The Zaire river – which they have yet to reach – has reverted to its earlier name, Congo.

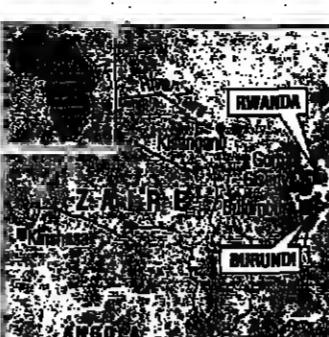
"The word Zaire means nothing in any of our languages," said a rebel spokesman. "This is the Congo, this nation should be the Democratic Congo. Soon we will liberate all of Zaire, and again we will be the Congo."

Zairean soldiers, unpaid for

months and short of food, are retreating further into the interior. Missionaries leaving the region report widespread looting and raping by the demoralised FAZ.

According to the rebel military commander, Andre Ngundu Kissasse, who was speaking in the eastern border town of Goma at the weekend, more than 300 Zairean government troops have defected to the rebel side.

Though they speak a number of different languages, the rebels have proved a cohesive fighting force. From an initial core of ethnic Zairean Tutsis, called Banyamulenge, they have formed a broad-based movement comprising guerrilla groups with roots in post-independence



The Tutsi-controlled government of neighbouring Rwanda is widely believed to provide the insurgency's support and motivation. The most compelling circumstantial evidence lies in the significant number of English-speakers among the rebels; English is the *lingua franca* of the new order in Rwanda but not widely used in Francophone Zaire. Nevertheless, both the Rwandan government and the CLA continue to deny any links.

Also accused by Zaire of backing the regimes in Burundi and Uganda, whose army recently launched incursions into Zaire. The Zairean government charges Rwanda, Burundi and Uganda with attempting to establish a "Tutsi empire" in central

Africa. Mr Kabilo, however, insists his movement is independent of regional backing.

The rebels have captured large stocks of FAZ weapons to add to the arms they bought from unpaid Zairean troops before launching their insurgency in September.

The rebels have appointed civilians to administrative posts in parts of the territory they hold and in the main eastern towns of Goma, Uvira and Bukavu, life is returning to normal, with businesses and markets open.

Mr Kabilo says he intends to form a new government but has ruled out talks with ailing President Mobutu whom he views as a crook and a tyrant. Mr Kabilo, who favours a free-

market economy, says he wants Zaire's vast mineral wealth to benefit the people who are among the poorest in the world.

The CLA claims to have already taken a number of mines, including the diamond mines around the town of Kindu and President Mobutu's personal gold mine near Bunka.

Whether the insurgents are strong enough to overcome the huge military and geographic obstacles before them remains to be seen. It is also unclear whether they can continue to count on popular support as they push further into Zaire's interior. The closer the rebels get to Kinshasa, the greater will be their need for assistance from other opposition groups within Zaire.

## Netanyahu aide attacks 'anti-Zionist' columnist

Remark reveals Prime Minister's camp sees enemies everywhere, writes Patrick Cockburn

Jerusalem — Any doubts that the inner circle of Benjamin Netanyahu sees criticism of the Prime Minister as hostility to Israel itself, have been put to rest by the labelling of a leading American columnist by a senior aide as "anti-Zionist".

The row started when David Bar-Ilan, head of political planning and public relations in the Prime Minister's office, was asked by a Jewish newspaper in the United States about an invitation to Tom Friedman, foreign policy columnist on the *New York Times*, to address the Jewish Anti-Defamation League in Los Angeles. Mr Friedman is a critic of the Netanyahu government.

"Friedman's whole history is that of an anti-Zionist," said Mr Bar-Ilan, in words that he may have come to regret but not to withdraw. "Any organization which purports to be Zionist would not give him a platform."

Later, Mr Bar-Ilan said his views were private and not those of the government, but his outburst confirmed suspicions that the men closest to Mr Netanyahu, like Richard Nixon's advisers, see themselves as surrounded by enemies.

Not that Mr Bar-Ilan's denunciation of the studiously moderate Mr Friedman caused much surprise in Israel. A former concert pianist of pronounced right-wing views, he moved to Israel after 30 years in the US. As editor of the *Jerusalem Post*, the English-language daily, he wrote a weekly column which unmasked enemies of Israel in publications across the world. He showed particular detestation for the BBC.

A sign that Mr Netanyahu's approach to the world is equally ideological was his appointment of Mr Bar-Ilan to be his spokesman and senior aide in



Bird of peace: A girl feeding doves at Yasukuni shrine in Tokyo at the weekend, the 55th anniversary of Japan's attack on Pearl Harbor

Photograph: Kimimasa Mayama/Reuters

## Optimism rises from rat-infested rubble

Grozny — For a long time, I felt

Refusing to be bought off so cheaply, Mr Friedman asked for a public rather than a private disclaimer. Mr Bar-Ilan sent one, saying the views expressed were his own, but without apologising.

All this has attracted derision in the Israeli press. Nahum Barnea, columnist for the daily *Yediot Aharonot*, revealed that on the aircraft taking Mr Netanyahu to Washington a few months ago the passports of government officials and accompanying journalists had mixed up.

"At the bottom of the stack there was an American passport," says Mr Barnea. "When members of the Prime Minister's office discovered to whom it belonged, they quickly hid it. This was the passport of a gigolo, so strange is her proposition. 'Apartments for sale,' she says, before reeling off a list of addresses with all the confi-

dence and fluency of a Mayfair estate agent.

"There is water, electricity, and gas," she continues. No mention is made of the fact that the water supply is polluted by the city's damaged sewage system, or that the electricity supply regularly breaks down, or that the gas pipes are peppered with so many bullet holes that people set light to the leaks to stop them from exploding.

Nor does she have anything to say about the neighbourhood, which is likely to comprise an assortment of rat-infested piles of rubble, interrupted by tall, burnt-out, Communist-era apartment blocks. After 21 months of war, the residents of Grozny, capital city of Chechnya, can no longer see the city which surrounds them.

We are watching Marso television, one of several makeshift Chechen-run television channels which broadcast intermittently on the Caucasus

republic's airwaves in the aftermath of its war with Moscow. Even the most patriotic Chechen would probably concede that this would not, under normal circumstances, be anyone's first choice of entertainment. But there's nothing much else to do once the sun has set over this ruined city.

Although Grozny now has

dozens of new cafés, they close at night. There are no bars; alcohol has been banned by the Islamic republic's separatist-dominated government.

The city-centre is busy enough

by day — teeming with new Japanese and American cars driven by former Chechen fighters (one bearing the sticker: Drive Carefully. Future President Inside). There are even traffic cops. We were fined \$5, for an illegal left turn, regardless of the

fact that 200 yards away we saw a car driving down the pavement. But the nights are eerily still.

So, television it is. After a while, the property commercials give way to a man in office clothes miming to a popular song as he wanders through some woodlands. Then there is a Hollywood "hot-rod" film starring Charlie Sheen, great fun for anyone prepared to endure a movie dubbed from English into German, translated into Russian, and broadcast on the blurry airwaves. The merest hint of sex is censored.

But the Chechens seem to approve. "We hate Russian television. We can't watch it in front of our families. It is too embarrassing," explained our host, Hassan, proprietor of a rickety house in central Grozny which has become a watering hole for

foreign correspondents over the past two years. He rails against the "pornographic advertisements" transmitted from Moscow, in which — horror — actors are seen kissing.

But the fledgling broadcasts are symptoms of an instinct to survive. Russian troops are still withdrawing from the republic after a war that has left tens of thousands dead. It is uncertain where the money will come to

rebuild its shattered society.

Yet, an entrepreneurial spirit is unfurling amid the mayhem.

Four months after the end of the war, you can buy every necessity in Grozny, from soap powder to soap operas. And if you have the guts, you can buy a house — even though this might qualify you for the title of the world's most optimistic perso.

Phil Reeves

### significant shorts

Rawlings heads Ghana polling

Ghana's populist president Jerry Rawlings and his main rival John Kufuor were neck and neck yesterday as provisional results trickled in from presidential and parliamentary elections.

Rawlings, who twice seized power in the former British colony, had landslide wins in his home Volta region in the east. Kufuor enjoyed similar success in and around his stronghold of Kumasi.

Reuter — Accra

Mandela accuses France of veto threat

The campaign to provide the next Secretary-General of the United Nations intensified yesterday with some African presidents jostling to promote their favoured candidates and Nelson Mandela accusing France of planning to veto South Africa's choice.

Ghana, Ivory Coast, Niger and Mauritania have formally nominated candidates. Mr Mandela told a Cape Town news conference that the French President, Jacques Chirac, had threatened to veto Tanzania's Salim Ahmed Salim, secretary-general of the Organisation of African Unity. Reuter — Abidjan

Gays demand memorial to Holocaust

Berlin gays called at the weekend for their own memorial to mark the Nazis' attempt to wipe out homosexuals, stirring a lengthy debate over the building of a monument to Holocaust victims in the city.

The contentious discussion of how, or whether, to commemorate each of the groups targeted in Hitler's genocide has grown louder as each community attempts to raise awareness of its persecution. Reuter — Berlin

Shoppers in a muddle

German shopkeepers found stores emptying on the second Saturday of the Christmas season as consumer confusion over new shop hours knocked 10 per cent off turnover. Under new rules, they can stay open until 6pm in the four Saturdays of Advent — later than the new closing time of 5pm. Reuter — Cologne

Havel improving

Vaclav Havel, the Czech president, remained on a respirator yesterday following surgery last week. "There were moments when we did worry," a spokesman said. "But it seems that he's out of the worst of it." AP — Prague

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HOUSE OF FRASER

# Why Honest John will not come clean

**S**o, the negotiation of a single currency in Europe is to be likened to a boy's game. After his *septem dies horribiles*, John Major's much-hyped television interview relied heavily on red cards, football pitches and poker, laddish metaphors from an embattled prime minister. A master of bathos, Mr Major yesterday called the decision on going forward with monetary union the most important peacetime decision; others might claim that honour for accession to the North Atlantic Treaty in 1949, but either way it seems that destiny is being approached in the spirit of a Las Vegas craps game. Our Number 10 card sharp says he is keeping his hand down, to be revealed with a flourish in that city of sin, Amsterdam, in June next year. Ah, but won't there have been a general election by then? Well, yes: the possibility is that we shall never know what the deuce his position is.

It is important to see why that particular poker analogy, chosen with some care, is so disreputable. The Government's formal position is not the problem. Mr Major's public stand, expressed yesterday in a television performance that only a mediocre interviewer could make seem polished, is the correct one for any British leader to take. Now is the moment for empiricism, in the strict sense of waiting to see the gathering evidence, in the run-up to that intergovernmental meeting in

Amsterdam next year, of the sustainability of the fiscal and financial commitments now being undertaken across Europe. No British government with any sense of recent economic history, or a feel for the decision-making processes within the European Union, could do anything but hold its horses.

So Mr Major is right when he insists on keeping his options open – if that is what he is really doing. His poker analogy, however, reveals in a not-so-Freudian way that he is in fact concealing his true position, not so much from his Continental counterparts as from the British public. All he tells them is that he rejects virtually everything about the European project that suggests further integration. No common policies for immigration or border control, no moves towards a common foreign policy, and certainly no common social policies. As for the extension of qualified majority voting, or extra powers to strengthen democracy through the European Parliament – no way. It would be logical, you might think, if we added common money to that list, since common money is a good deal more significant than, say, moves towards common policies on employment. Common money, after all, could have a huge effect on jobs.

But no; on common money, the cards are face down. Mr Major appears to have a view, but can't tell us what it is. He has to keep everyone guessing. If he

is keeping us all guessing because he is waiting before he makes a judgement (as Kenneth Clarke is doing), then that would be fine. He says the Government wants to stop European partners committing the folly of linking their currencies while their economics and fiscal circumstances are out of sync. But Britain's participation in the first wave of monetary union is not a precondition of offering that sage advice. No: the real reason Mr Major won't show his hand is that he is told the truth about what he really thinks – that there is no way the UK would enter the first wave of monetary union while he leads the Government – then his party would fall apart.

The public can see the evidence all around them. And it won't do for Mr Major to dismiss that evidence as Westminster froth. The division of view within the Conservative Party is not a media fantasy embroidered by a handful of obstreperous backbenchers. It is a fundamental party division over a fundamental issue, no different in potency to the tariff reform argument that split the party from top to bottom in the first two decades of this century. It is for that reason that the Major cards remain unshown. His objective is short-term and selfish. The game is not

rebuilding Europe, it is keeping the Chancellor of the Exchequer and his supporters sweet, and holding the Eurosceptic majority in his party at bay.

Building Europe is not at all like poker. And it is a game that cannot be played in fuggy backrooms. It has to be played out in public. The squalor aftermath to the Maastricht treaty showed how dangerous it is to build European union on the back of public ignorance and discontent. This great work must, above all, be a visible effort of democratic leaders. That does not prevent some leaders saying no, movement in this direction is too far and too fast.

It was intriguing yesterday to hear hovering somewhere in Mr Major's mind that old quote by Nye Bevan about not going naked into the conference chamber. But Bevan, justifying his conversion to nuclear deterrence, meant above all that international negotiation in the national interest should be carried forward on the basis of public confidence and assent – and knowledge of what the government might offer to give or take. All the Prime Minister says by contrast is, "trust me, I'm honest John." He isn't. And there are too many in his party who too obviously don't trust him. And the electoral significance of that is that voters will withhold their trust, too.

Mr Major has no way out. If he bravely told the truth, that he will not

lead his party or the country into monetary union, his Government would split on the eve of an election. It will probably happen anyway – but he still can't tell the truth, because if he gives an inch, he gives a mile to the Eurosceptics, and he doesn't want to go all the way to withdrawal from Europe. That is what this is all about: does the Conservative Party want to be in Europe, or not? It is an issue that the party will be able to resolve only when out of power. Mr Major made it plain yesterday that it cannot be decided while he is in power.

## My countryside, right or wrong

Soon we'll need a new phrase – something like "doing a Dimbleby". First Bel Mooney (Mrs Dimbleby) comes our last week as a holier-than-thou censor of cinema films. Today Jonathan, as president of the Council for the Protection of Rural England, launches a campaign against clutter in the countryside. By this he means things like road signs, phone boxes and other "unnecessary paraphernalia". Well, it is understandable that people who live in the country should want to preserve their property values, but it is a matter of some concern that upstanding liberal folk like the Dimblebys should turn reactionary in their maturer years.



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## LETTERS TO THE EDITOR

### UK forgetting noble vision behind Europe

Sir: Britain must not be allowed to destroy the European Union ("How come they got it so wrong over Europe?", 4 December). The whole purpose of the Coal and Steel Community, the Common Market, the Community and the Union was to try to prevent 1914 and 1939 happening again. If Britain persists in her efforts to convert the Union into a purely commercial organisation, then she must quietly be told to go.

The Netherlands and Spain, whose empires disappeared as Britain's have done, have been resurrected as part of a greater European whole, but Britain's future will become that of a small offshore island. America does not want Britain as the 51st state.

But if this happens, I hope, speaking as a Scot, than an independent Scotland will become again the European nation it was before 1603 and 1707.

Dr JOHN SLEIGH  
Monmouth, Wales

Sir: Why can we never look beyond our noses? In the Fifties we wrote off the nascent European Community when we could have had it. Instead we jeered at it, did our best to undermine it and ultimately climbed aboard at the wrong time and on the wrong terms.

Fifty years from now, the euro, underpinned by the might of the German economy, will be as firmly in place as the European Union is today. To that will be added the dollar and the currency of what could well be the world's most powerful economy, China.

Will that not leave the paltry pound sterling, with its dismal track record for the past 50 years, bobbing helplessly in the waves made by the super-currencies?

Of course there will be difficulties in the euro, but as Cardinal Newman said: "Ten thousand difficulties do not make a doubt."

PETER PRIOR  
Weybridge, Surrey

Sir: Andrew Marr went straight to the core of the European debate ("We're having the wrong arguments", 4 December). Time is running out. Nationalism, that prehistoric monster, is gathering forces in Austria and France, and the "skinhead nationalists" as someone called the more rabid Eurosceptics, may be tarred with the same brush. Of course we all have some nagging misgivings about our future, even the more federalist among us; but there is no alternative.

JEAN-BERNARD BRISSET  
Courson, France

### Pension rights and wrongs

Sir: The National Insurance system is not a relic of the sentimental left ("Why I should give back my widow's pension", 4 December). It is a critically important part of the new democracy set up after the Second World War, and founded on the work and thoughts of politicians of the right, left and centre in a working group appointed by Winston S Churchill (Conservative).

When a voter is forced by law to pay a compulsory NI premium in



Peter Seldman

proportion to his/her earnings, social and financial justice requires that their state pension return be also related to earnings. Not to do so amounts to legalised fraud. A private insurance body would find its directors liable to prison for theft.

If Margaret Thatcher, Harriet Harman and Polly Toynbee want state pensions to continue to be divorced from earnings, they must require that compulsory state premiums be a fixed amount indexed to prices. We voters are in revolt, especially those of us who started work in 1948 and have become desperate after nearly two decades of financial abuse.

OWEN EVANS  
Bromyard, Herefordshire

Sir: Polly Toynbee suggests ("Why I should give back my widow's pension", 4 December) that there is no need for the well-off to draw universal benefits – sickness, unemployment, child benefit or pensions.

That means that those benefits would all have to be means-tested. Who would welcome that? When there is such a large disparity between the incomes of the rich and the poor, a better way of giving the Government more money would be to tax the rich more, by making income tax more steeply graduated, as it was years ago. In addition, inheritance tax should be graduated, as capital transfer tax used to be.

I am not suggesting that we should go back to the particular rates of tax in force when the Conservatives came to power in 1979. To aim at a half-way position might be better.

JOHN WYMER  
Bridport, Dorset

### History backs women riders

Sir: Steve Boggan's report ("Riding roughshod over tradition", 7 December) on Hawick's Common Riding notes that women were allowed to ride until 1932.

If the Common-Riding Committee of Hawick think that they are preserving an all-male tradition, history tells us otherwise. Women were visible in these ceremonial ridings from earlier times. Women who were landowners in their own right or the widows of propertied men could participate in the annual marking of the town, village or parish boundaries.

It did not matter whether this was a town in the Scottish Borders or a parish in the City of London – boundaries had to be protected against interlopers.

In 1602 the "riding of the community of Innerwick" in East Lothian was led by no less a person than Dame Christian Douglas (Lady Home).

Dr MAUREEN M MEIKLE  
Senior Lecturer in History,  
University of Sunderland

Sir: Daniel Rosenthal is incorrect in describing Professor Lesley Regan as the first woman in England to hold a Chair in Obstetrics and Gynaecology ("Birth of a prof", 4 December).

This honour was held by Dame Anne McIlroy, who was appointed to the Chair of

Obstetrics and Gynaecology at London University (tenable at the Royal Free Hospital) in 1921.

Some years later, in 1943, Dame Hilda Lloyd was appointed to the similar Chair at the University of Birmingham, an appointment she held for 11 years. She also became the first, and so far the only, woman to be made President of the Royal College of Obstetricians and Gynaecologists.

Miss G M EVANS  
Winchester

Labor MP's owe duty of discipline

Sir: It is entirely sensible that Labour MP's should be expected to display the qualities of solidarity and co-operation that the Labour movement was founded on ("Discipline code for Labour MPs", 5 December).

Labor MP's are not freelance operators, in the House because of their individual brilliance and flair. They are there because of the hard work of party workers who do not seek the glories of elected office and have had the responsibility of "not bringing the party into disrepute" for years.

Is Ken Livingstone really suggesting that he should be allowed to bring Labour into disrepute?

PAUL RICHARDS  
London W6  
The writer is Labour's prospective parliamentary candidate for Billeray

### US flying rights an internal issue

Sir: A Virgin Atlantic advertisement in your 4 December edition asserts that the right to fly into Britain and pick up passengers then fly on to Europe, is the same as flying to New York and picking up passengers then flying on to Miami. They are two different issues. The second one is called cabotage and is fought against in the UK as much as in the United States.

Next, Virgin Atlantic would like us to believe that the US is a protectionist government. Nothing could be further from the truth. The US is very liberal to British carriers investing in US airlines, compared to most other countries.

Finally, Virgin would like the flying public to believe that Virgin Atlantic is protecting them from a merger that is somehow anti-competitive, when they practise the same thing with other US airlines. I think that Mr Branson should just stick to the facts.

MATT PAXTON  
Vashon, Washington State, USA

### License fee future

Sir: Your report ("License fee" on the way out", 6 December) reflected a misunderstanding of the replies given to the National Heritage Select Committee by the BBC Chairman, Sir Christopher Bland. It suggested that Sir Christopher accepted the prospect

that the licence fee might no longer exist "in as little as five years' time".

The Government has guaranteed the licence fee for that long. No one can speak with absolute certainty about that, but Sir Christopher made it clear that the licence-fee system of funding the BBC had worked for more than 75 years and he believed there was broad support for it. He went on to say that he had no doubt that if the country and Parliament wanted a licence-fee funded BBC, even in 20 years' time, we would have it.

It is up to the BBC to make the case for the licence fee through the quality of its programmes and the range of its services, and we will continue to do so. It would be a sad day when Britain gave up the benefit of the services available to all through the universal licence fee.

COLIN BROWNE  
Director of Corporate Affairs, BBC  
London W1

### Welsh lordling it

Sir: The lineage of Viscount Cranborne, Leader of the House of Lords ("A Lordly plot to save their place", 4 December), began with his Welsh ancestor when Henry Tudor established himself in 1485 at Seysilt, the Welsh-speaking Lord Burghley.

Let us hope that another Welshman, Lord Richard, leader of the Labour Peers, will bring this anachronism of hereditary peers and that the last of the ap Seysilt, the Welsh-speaking Lord Burghley.

Sir: In the dialogue about the history of the kilt (Letters, 4 December) none of your correspondents has had anything to say about the custom of those Highlanders too poor to afford a targe removing their *phillomars* entirely to wrap round their non-sword arm as a substitute, and charging down upon the Redcoats, or any other enemy, stark naked. Perhaps this was one of the earliest examples of the employment of shock troops.

P M LARG  
Bampton, Devon

### Kilt-free zone

Sir: In the dialogue about the history of the kilt (Letters, 4 December) none of your correspondents has had anything to say about the custom of those Highlanders too poor to afford a targe removing their *phillomars* entirely to wrap round their non-sword arm as a substitute, and charging down upon the Redcoats, or any other enemy, stark naked. Perhaps this was one of the earliest examples of the employment of shock troops.

P M LARG  
Bampton, Devon

# The day I learnt how to think straight

A method of teaching science to 11- and 12-year-olds is achieving remarkable exam results. Paul Vallely went back to the school laboratory to see if he could finally learn to design a foolproof scientific experiment

Last week I went back to school. To learn to think. I was put in a class of 11-year-olds with a beaker full of tubes varying in width, length and material and told to work out what affected the pitch of the note I could make by blowing across the top of each tube.

"Now I want you to do four tests," said the teacher, Lisa Marsh, at Woolston School in Southampton. "But I'm not going to tell you which four pairs of tubes to test. You decide."

Miss Marsh had written a few pointers on the blackboard, drawn from questioning the class on the previous CASE lesson. Variables, it said. Input - the things we can alter. Outcome - the changes that are produced. Input width, length and material. Outcome: is the note higher or lower?

On the next table David had begun. He romped through his four tests and concluded that the pitch was affected by width. He rushed up to the teacher with his completed worksheet. At the next table Joanne was having difficulty working out which tubes to choose. "David," the teacher suggested. His explanation only made his classmate more confused.

"Do you understand now?" "I think so," she lied.

The teacher brought the class to order. David was asked to explain his answer to the whole class. "Brilliant method, David, but it's the wrong answer (width may affect volume, but not pitch). So let's look at it another way."

That accomplished, most of those on my table seemed uncertain of the next move. No sign of Aim, Method and Conclusion here. So, reverting to a well-tried schoolboy technique, I peered across to see what they were doing at the next table.

It was the start of a CASE lesson. Cognitive Acceleration through Science Education was the jargon behind the acronym. Using it in a pilot programme, 4,500 pupils at 17 comprehensives, who were given 30 such lessons during their first two

years at secondary school, achieved a dramatic improvement in GCSE performance. In CASE schools 20 per cent more pupils got Grade C or above in GCSE Science compared to their peers in non-CASE schools. Interestingly the scheme, which teaches pupils to think rather than merely to learn, saw improvements in maths and in English, too. Almost all pupils were thought to have improved their individual performance.

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"Because you can't tell which one you're testing if you change two or more."

We were all sent back to have another try.

"Cognitive mechanisms develop with age. It's not just a matter of becoming faster or more full of knowledge; at different times, we think differently," says Dr Philip Adey, director for the Advancement of Thinking at King's College, London, who is one of the team behind the CASE project. After 20 years studying the learning techniques of British school children, he concluded that by the age of 16 only 30 per cent had left behind concrete thinking and begun to think abstractly. The supposition was that most of them progressed no further adulthood. "The question was: were they genetically incapable of anything better? Or had they a potential which was undeveloped because their cognitive development had been insufficiently stimulated?"

Dr Adey is a disciple of the Swiss psychologist Jean Piaget and the Russian educationalist Lev Vygotsky. Aware that such hypothesising is regarded with disdain by most Tory education ministers, Adey heads one section of his report on his suc-

cessful standards-raising approach, "Barry Theories".

From Vygotsky he takes the notion that children have a spectrum of half-formed or potential strategies which may be turned into complete thinking skills by co-operating with others. From Piaget he develops an analysis of what are the most effective times to intervene in this learning process.

Piaget concluded that there are five stages of human learning. In the "sensory" stage, babies learn to modify their reflexes. In the "pre-operational" stage, the child up to the age of seven develops mental imagery, including one-dimensional perceptions such as size and colour. In the "concrete operational" phase (age seven to 12), the beginnings of logic appear, along with classification of ideas, an understanding of time and number and, later, a notion of multiple classifications from which children build concepts from which they can learn to predict the world. Then, in the final "formal" stage - which occurs pretty much as they transfer from junior to senior school - children develop the ability to reason about the hypothetical world outside their direct range of experiences; they understand abstract concepts and their search for solutions becomes systematic.

It is on the borderlines between these phases, Dr Adey

believes, that the greatest opportunities for accelerated development lie.

Back with Year Seven at Woolston School, the bell is about to ring for break and Joseph is still perplexed. He keeps taking tubes up to Miss Marsh and asking, "Will these do to test for length?"

He holds out a tall, thin glass one and a short, fat plastic one. Joseph, a boy after my own heart, My science master once described an experiment as foolproof until I managed to make it explode, whereupon he declared that it was only foolproof, not "bloody fool"-proof.

Miss Marsh does not try to explain. "No, get two others," she keeps saying. Finally he produces two the same length, and of the same width, of different materials.

"What's that a test for?" she asks.

"Length."

"Are they different lengths?"

"No, the same."

"If they made different notes, would it be because of the length?"

"No."

"Because of the width?"

"No."

"So because of what?"

"Because of the material."

"So what is that a test for?"

"The material."

"Good, now go and find two that will test length."

"Children must construct their own knowledge," argues Dr Adey. "We can provide bits of information and experiences,

but in the end, if it is to register, they have to do it themselves."

The bell goes. Joanne drops her test tubes on the floor and they smash. But Joseph is still at it. This time he produces two which are the same in every respect, but for width. Miss Marsh, despite being clearly drained by the demanding CASEload of the last 60 minutes, remains behind, eating into her precious 15-minute coffee break. Ten minutes later he has got it right. A slow smile of understanding and achievement spreads across the boy's face. He leaves the classroom beaming.

Dr Adey's notion is that even if comprehension hadn't dawned, the experience would have been good for Joseph.

"The lessons involve a lot of talking and they can be inconclusive and end with the kids going out slightly muddled," he admits, "which is why we'd never recommend giving over the whole of the curriculum to this. It's just one lesson every two weeks. But the cognitive conflict when a pupil encounters a problem which cannot be solved by using their existing ways of thinking, is what produces the results."

The other key tool is metacognition - getting them to think about their own thinking, to deconstruct how they arrived at a conclusion. In CASE that process is more important than the conclusion itself.

Joseph certainly had a brainful of conflict that morning. "Teaching like this is exhaust-

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I enclose a cheque for £ \_\_\_\_\_ (total amount) made payable to Children's Aid Direct

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Card number: \_\_\_\_\_

Last three digits of Switch card no.: \_\_\_\_\_ Switch issue no.: \_\_\_\_\_

Expiry date: \_\_\_\_\_ Signature: \_\_\_\_\_

Name (s): \_\_\_\_\_

Address: \_\_\_\_\_

Postcode: \_\_\_\_\_

Telephone: \_\_\_\_\_

If you would like to send a message to a Bosnian mother, please send it with your donation and we will put it in your baby box. Please send it to Children's Aid Direct, Dept 414, FREEPOST, London E8 1BR.

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## A Yankee in an English country garden



Miles Kington

Today's quiz question is:

"What is the connection between Jane Austen and baseball?"

While you're thinking about that one (and we will get to the answer by and by), I'll tell you the connection between me and baseball.

The connection between me and baseball is that my nine-year-old son came home at the weekend from his school Christmas Fair and revealed that he had bought a baseball mitt for 30p on the white elephant stall. Not only that, but he had conceived an intense desire to play baseball. Not in the

future, but right now, at a time when normal fathers have to sit down and write pieces for *The Independent*. He wants me to go out and initiate him into baseball.

"Not right now," I told him. "I can't play baseball with you right now because I am busy and also because I haven't the faintest idea how to play baseball ..."

And I nearly added, because baseball is such a minority taste that it hasn't even made it to Channel 4. (At American insistence it has made it into the Olympics, but this slightly backfired because the American Olympic baseball team keeps getting beaten by the Japanese and Cubans.)

The extraordinary thing is that my son should know anything about baseball at all. He has never seen it played in his life. If he wanted to see a game of baseball, where would he go? I believe I have seen it played by expat Americans in Hyde Park, but where is the nearest place where it is played seriously? You would have to cross an ocean, would you not?

No, the reason he knows about baseball is that it slips and slides into our

consciousness through American films and cartoons. Baseball is part of America, therefore it is part of their culture, therefore it is part of our culture, and it does not seem odd for American films with a baseball theme to be released in Britain or anywhere where baseball is not played. There seems to be a new film every six months about a junior league team that has never won a match and suddenly gets a new manager or about a team which is on the slide and suddenly gets a new manager or about a guy who has a vision of building a baseball stadium or ...

Baseball runs through Hollywood. The game runs through American cartoon strips. I can't seem to get away from baseball from reading *Peanuts*. It permeates American expatriate culture. Every year in the *International Herald Tribune*, at the start of the US baseball season, they print the same poem called "The Crack of a Bat", which is a lament written by an American living in Europe at being out of the old country just when baseball is starting up again.

And now my son has got a baseball mitt, just like those American kids in American films. Next thing, he will be wearing a baseball cap backwards. Where have I gone wrong?

Mark you, I have seen a couple of baseball games myself, and I thought they were wonderful, a lot better than any American football.

This was way back in 1960,

when I worked for a few months in New York, in the vacuum between school and university. One day I got the train up to Yankee Stadium and sat for a day in the bleachers eating hot dogs and watching men in long white uniforms hit, throw and run. There were one or two men playing who were legends coming to the end of their golden days, Mickey Mantle I saw, and Yogi Berra. They didn't do much, but I saw them.

(I also sat behind a black couple who fascinated me,

not just because I had never seen ordinary black people before, but because the man was so absorbed in the game that he never noticed that his girlfriend, bored out of her mind, had started flirting with the lone black guy.

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the commentators

## Invest and beware: you are on your own

**I**s it likely that a body whose objective is to improve the public's understanding of pensions, life assurance and other financial products will be sufficiently cynical about the City? The Government is to back a new initiative, the Personal Finance Education Group. This is what it ought to teach, but probably won't.

You are there to be fleeced. Insurance companies, building societies, banks, unit trust groups, investment managers and the like see you, the customer, as sheep to which they will regularly take the shears. Because in the past all building societies and many insurance companies were mutual societies, consumers assume that a notion of co-operation for a common end still exists. Unfortunately, this 19th-century tradition has become attenuated as societies convert themselves into shareholder-owned companies. The truth is that the directors of financial institutions are much more concerned with what their company gets out of each transaction than with what is appropriate for you. Likewise, the executives with whom you do business are largely if not wholly motivated by commission. That is why the big insurance companies cheerfully persuaded thousands of individuals to leave occupational pension schemes and to buy personal pensions when it was unwise to do so. That is why unit trust groups urge you to invest in the stock market at the very moment when the professionals expect it to boil over. The financial institutions put their own interests first.

You are on your own. In a perfect market you would use a broker, or other qualified adviser, whom you pay, to find the most suitable investment plan at the best price. In this hypothetical situation, the market would be transparent, in the sense that you would know exactly what you were buying and what the cost was. Too little of this is true to life. In fact, insurance brokers live off the commissions that they receive from the companies to which they direct business. They are not really working for you, the consumer; they are in business for the convenience of the insurance companies. Nor is it easy to discern in any given transaction, although you are given the numbers, what part of your investment is being taken, by the financial institution concerned, and how much is being properly invested on your behalf.

These arrangements are just a further example of the axiom that businesses are naturally collusive. They will always try to tie up between them, or to fix a market, if given half a chance. Only government, through law and regulation, with watchdogs and supervisory bodies and, finally, with education, can stop them.

Trust nobody. In earlier periods, there were financial institutions which it was natural to trust. Perhaps their performance wasn't wonderful, but they would never let you down. The Prudential? It is one of the insurance companies that imprudently switched employees out of occupational pension schemes. Flemings? Jar-



Andreas Whittam Smith

How much are you prepared to risk? For, whatever you do, risk is involved

**D**ine Matheson? A few months ago it turned out that one of the dealers working for their joint company in Hong Kong had been putting part of the investors' profits into his own pocket.

Bairings? Collapsed, owing money to bondholders, Morgan Grenfell? It has employed investment managers who wilfully broke the rules designed to protect investors. The pension scheme of the National Grid, formerly a nationalised industry? The Pensions Ombudsman ruled last week that it must return £44m removed from the Electricity Supply Pension Scheme. The late Robert Maxwell would have smiled.

How much risk are you prepared to tolerate? This is the key decision that savers always have to make. It is a defining assumption. Whatever you do, risk is involved. If you place all your savings in building society deposits, your risk is that inflation will be a serious problem. If you buy a package of high-yielding shares, your risk is that the companies concerned cannot maintain their dividends when the economy next turns down. On the other hand, if you buy low-yielding shares, your risk is that the economy will not be sufficiently robust to allow the underlying companies to raise their dividends. If you invest overseas, you face a foreign exchange risk.

Be cynical about the City, not about the stock market. Over long periods, upwards of five years, the stock market works - modestly, but effectively. There are two trends which seem as reliable as anything in an uncertain world. The UK economy itself, and others like it, do grow steadily, with occasional changes of speed, stops and starts. At the time, booms or slumps are dramatic; afterwards they can be seen merely to have punctuated a long upwards march. The long-term rate of growth is 2 to 3 per cent per annum.

Furthermore, share prices have tended to rise somewhat faster. The fact that part of the working capital of most companies comprises borrowings as well as shareholders' funds enhances the return for shareholders. For periods of years, too, the better investment managers exceed the stock-market averages by two or three percentage points per annum, but none seems capable of maintaining this sort of performance permanently.

Markets always go too far. Because participants in the markets, whether professional or private, are made of flesh and blood, emotion as well as calculation drives business along. The pattern of stock markets is excessive movement up or down, followed by correction. This is precisely where we are now. Most professionals believe that Wall Street prices have been rising for an unusually long period and that a frightening correction will be needed to bring values back to a reasonable level. This regular pattern tempts some people to try clever timing. But not even George Soros, one of the leading exponents of this approach, gets it right all the time.

## These small slaves need liberation

Denis MacShane asks why Britain opposes moves to link child labour regulation with world trade

**T**oday Britain will be shamed in front of the world. As Christmas shoppers become more and more aware of the number of toys, garments and other goods that are made by children working full time, waged, bonded and as slaves, a British cabinet minister will seek to prevent efforts to place the scandal of child labour on the world trade agenda.

Ian Lang, the President of the Board of Trade, has flown from a freezing December to a sunny Singapore for the first ministerial conference of the World Trade Organisation (WTO). There he will link up with some of the most authoritarian governments in the world to block any debate on the explosive growth in child labour around the globe.

Economic commentators tend to shrug their shoulders when the subject is mentioned. Sure, it's a bad thing, they say, but it is a normal stage of underdevelopment that rising world wealth is creating. And a lot of child labour is helping out in family farms, or corner shops, or that very English mechanism of introducing children to the waged world: the newspaper round.

Nothing alas could be farther from the truth. Child labour, far from decreasing as trade increases worldwide, is on the increase. Estimates at the beginning of the decade put the number of children under the age of 14 in waged, bonded, or slave labour at around 110 million. Last month, however, the International Labour Organisation published an authoritative survey showing that the total number of children at work around the world is at least 250 million. The number of children in the sex business, for example, is more than a million. Children working in agriculture are more likely to die from exposure to organic compounds and pesticides used on farms than from child-killing diseases such as malaria, whooping cough and diphtheria.

Some of these children are little



Making fireworks in India: child labour is on the increase

better off than 19th-century slaves, sold into bondage by parents to pay a family debt. Brazil, one of the darling Latin American countries for the trumpeters of economic liberalisation, has more children aged 14 or under at work than India. Turkey, knocking on the door of Europe, has 24 million child labourers, and Thailand has more than 16 million identifiable child workers.

So what is to be done? Two measures are under way. An increasing number of businesses are embarrassed by their involvement with child labour. Many of the clothes, carpets, toys, cheap metal tools and utensils we buy are likely to have part of their low cost based on the exploitation of children. Most winter sun tourism functions on the exploitation of children.

More sensitive firms have begun to

draw up codes that, at least in formal terms, commit them to avoiding the use of children as employees. Fifa, the world soccer body, has signed a deal with the International Confederation of Free Trade Unions pledging that footballs used in international competitions and those sold in connection with events will not be sewn by children. But supervision and enforcement remain insurmountable problems.

The second measure consists of consumer boycotts and corporate campaigning. These can take the form of direct engagements to purchase goods known to be made under fair conditions, such as the coffee on sale from Caf Direct or the carpets labelled with the Rug Mark scheme. The shaming of greedy corporate executives, whose buying trips to exotic places such as Bangkok or Bogotá are

far more fun than haggling with textile manufacturers in Bradford or Bolton, is beginning to pay off. In the US, giant retail chains such as Wal-Mart have stopped buying goods made with child labour in Central America. But while businesses and consumers are slowly moving, Whitehall remains indifferent. President Clinton and President Chirac have both urged that the issue of child labour be considered in Singapore, but British ministers have mobilised strongly to veto any discussion by the WTO of child labour. Anthony Nelson, the British trade minister, has worked overtime in Europe to ensure that the EU does not back the French and American call for child labour to be linked to the new rules governing world trade.

The American-French proposal is quite limited. It is simply that the

WTO set up a working party to discuss the linkages between world trade and child labour and other core social rights. No new rules are being proposed, and the small-like pace at which world bodies discuss issues is often a way of adjourning consideration of a problem rather than seeking its resolution. But so enthralled are British ministers with the ideology that trade does not concern those who work to produce the goods and services that constitute trade, it is impossible for a British minister to support Clinton's and Chirac's modest proposal.

In turning a blind eye to child labour, British ministers make two further arguments. First, they point to countries in Asia that are opposed to discussing the issue of a link between labour and world trade. It is true that the bureaucratic and business élites running countries such as Pakistan and Indonesia want no discussion about the terms on which they trade with the world. But the institutions of civil society, such as churches, trade unions and other democratic organisations in the south, also need to be heard; and they have a different message.

The second argument is that rules linking trade and the abolition of child labour represent an interference in other countries' sovereignty. Well, so they do. Child labour is an absolute, not a relative evil. It should be abolished. Those who opposed William Wilberforce when he campaigned against slave labour said that slaves liked their jobs, or that it was a necessary, if unpleasant, part of free trade, or that Britain could not go it alone, calling for a total ban.

Wilberforce ignored such casuistry and Britain took a lead in removing slavery from the world. Is there another Wilberforce in the House? The pathetic Lilliputians who sit in Whitehall will arrive in Singapore today not to praise Wilberforce's memory, but to hurry his spirit.

The writer is Labour MP for Rotherham.

## Just say No to this agonising aunt

by Polly Toynbee



PRIESTLEY

In the real world, the idea of being locked in indissoluble marriage with someone you never had sex with is grotesque

band: "He was essentially a good husband, but people focus on the one bad thing."

This novelty will no doubt get people reading, though I very much doubt whether it will have them writing in. Where did she get the letters for her first column? There was Mrs EH, aged 48, who came back from a classical concert to find her husband in the bedroom trying on her underwear, confessing he often wore it under his trousers. Her advice? Get help for him and "Remember the good things: you still have each other and your husband has not been unfaithful." Or the parent worried about their four-year-old throwing toys at his little sister: "Tell him you'll smack him if he does it again."

Is this really the new world order? Are we, as the moralists claim, seeing the pendulum swing back? Oddie writes: "The climate was changed by two events ... the murders of Jamie Bulger and Philip Lawrence. It suddenly became clear to everyone that there are judgements to be made; there is right and wrong, good and evil."

Sometimes, in dark moments, I fear that they are right and a dark cloud of reaction is about to engulf us. When even Labour politicians mouth similarly simplistic sentiments, where do you turn? I have been preparing a radio programme about liberalism and realise that the so-called "liberal establishment" is virtually non-existent. Those that remain are growing old: Roy Jenkins and David Steel, who pushed through the great Sixties liberal reforms on abortion, divorce and homosexual law. Baroness Warnock, still making waves by calling for voluntary euthanasia. But the young politicians and opinion-formers are circumspect in public.

And yet, out in the real world where people struggle with muddled lives, mistakes and calamities, I see no sign of the new puritan revolution. It remains a fantasy among a few influential moralists. In the real world, 80 per cent of people support abortion; sex before marriage is the norm and the idea of being locked into an indissoluble marriage with a partner you never had sex with is grotesque. Most people want and try to be married, but it is difficult. Women will not be dragged back into bad marriages, giving up their careers or bearing unwanted children. And when they have problems, who would turn to an agony aunt who hands out advice from a better past that never was?

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in perfect order because she has always done the right thing. The Telegraph describes her as "part-time actress, harpist and moral pundit". She says that giving up her acting career for her family was her toughest decision. She is an evangelical vicar's wife who has never had sex outside marriage, though admits to past temptation. "It is a good feeling to know we've slept only with each other." Just say No is her advice, and she abhors the pursuit of personal happiness. She prides a friend who gave birth to a baby knowing it had no brain, choosing to watch it die. Or another friend who stuck with her violent hus-

band because he was essentially a good husband, but people focus on the one bad thing."

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## obituaries / gazette

## Richard Clarkson

Richard Clarkson was one of Britain's outstanding aeronautical engineers and made a leading contribution to British technical air supremacy in the Second World War.

He was responsible for the aerodynamics of the war's most efficient bomber, the de Havilland Mosquito, which could carry the same bomb load to Berlin as a Boeing Flying Fortress using half the power and a fifth of the crew. The Mosquito was so fast it could make two round trips in a night to the German capital, and outrun Goering's Messerschmitts. Nearly 8,000 were built in 40 versions.

Later in 1939 Clarkson had been sent by Sir Geoffrey de Havilland to Salisbury Hall, a secluded Elizabethan manor near St Albans, as a member of a small design team whose secret task under their chief designer R.E. Bishop, was to realise de Havilland's revolutionary idea for a very fast, light, unarmed bomber.

Before the war Clarkson had worked on the advanced DH88 racer and the streamlined Albatross and Flamingo airliners, pursuing what his boss and mentor Charles Walker called "economic efficiency through aerodynamic purity". He now applied this philosophy to a war machine. The result was the Mosquito.

After the war Clarkson was responsible for the aerodynamics and performance of the Comet, the world's first jet airliner.

The sleekest jetliner ever? The Clarkson-designed de Havilland Comet 4

liner. Though marred in its early years by structural failures, the Comet's aerodynamics and jet power made history by doubling the cruising speeds and altitudes of contemporary airliners.

Clarkson and his team, nearly all in their twenties, had to solve airworthiness problems quite new in commercial air transport - sonic compressibility, shock wave drag, jet intake handling tons of air a minute, fully powered flying controls without manual reversion, and speed brakes. All these are commonplace in the 11,000 jetliners flying today, but the Comet was first.

The Comet 4, still the sleekest of jetliners, gave 20 years of safe passenger service and made history by winning the race with Boeing to operate the first transatlantic jet service (4 October 1958).

The prototype Mosquito, W4050, flew in November 1940, within a year of the first weight and drag estimates (W4050 has miraculously survived and may still be seen at Salisbury Hall). Clarkson had calculated that the Mosquito would attain 376mph. It actually achieved 388mph - faster than the Spitfire.

In his privately circulated *Recollections* (1990) Clarkson recalled the Ministry's scepticism: "It cannot be faster than the Spitfire." W4050 was summoned to Boscombe Down, the government aircraft experimental establishment, for a

Trident experience helped Clarkson's team to design the wing of Europe's Airbus. The British government had pulled out of the European air consortium, angering the French and Germans and leaving the British on a politically very slow playing field. Clarkson's team won the wing competition on technical merit with "super-critical" aerofoil sections combining unequalled efficiency in high subsonic cruise with good low speed lift. The

French technical director of Airbus, Bernard Ziegler, called it "our beautiful English wing". British Aerospace has made 1,500 of them to date, its most profitable civil business. Recently BAe won the competition to design the wing of the Airbus FLA military airlifter.

Clarkson also influenced the design of 125/Hawker corporate jet, for which he won a Royal Society gold medal, and also the 146/Avro regional jet. BAe's Chester factory has built 900 125/Hawkers, a British civil jet record, and has recently won a Raytheon contract to build 125/Hawker airframes into the next century. Customers include the Japanese Air Force. The 70-100 seat BAe146/Avro also has the "Clarkson touch", achieving brisk runway performance without slats or slot reversers.

Nimrod, the RAF's maritime reconnaissance aircraft, owes its existence to Clarkson. He had proposed a Comet 4 variant to replace the venerable Shackleton, but his office (then Hawker Siddeley) preferred a Trident development. When the Ministry turned this down as too costly, and threatened to buy the French Atlantique, Clarkson got a phone call from head office: "Put your Comet MR study on a car to St James's Square at once."

The RAF ordered it and has operated Nimrods for nearly 30 years. Recently the MoD ordered British Aerospace to build 25 more, updated as Nimrod 2000s. Clarkson's Comet platform will fly for perhaps another 50 years.

Born in 1904, Richard Clarkson was educated at Clayesmore School (whose choir sang at the Sherborne Abbey memorial service). He took his BSc and ACGI at City and Guilds, which made him one of rare Fellows.

He was apprenticed to the de Havilland Aircraft Company at Stan Lane, Edgware, in 1925, and gained his pilot's licence in the heroic era of the de Havilland Moths. He met the pioneer pilots and flew the company

Hornet Moth on business. He also flew as flight test observer in many new DH aircraft including the DH65 Hound, in which he found himself at 24,000ft without oxygen standing up in an open cockpit trying to read the pilot's instruments.

Clarkson became a remarkable selector and leader of technical staff. Last May, in a video about the birth of jet transport commissioned by the Seattle Museum of Flight, he said of his staff: "They were all brilliant. It is entirely thanks to them that we are in Airbus." Though he could be a hard taskmaster, his staff revered him and kept in touch, visiting him and his wife in their Dorset mill house where he spent nearly 30 years of happy retirement. To celebrate his 90th birthday



Clarkson (third from left), Charles Walker, Sir Geoffrey de Havilland and R.E. Bishop, with a model of the DH98 Mosquito, c1941

they arranged a DH90 flypast. When last year's gales lifted it from his garden bench and flung it upside down on the lawn, he was typically curious to discover what freak force could pluck such a heavy object from against a wall and throw it into wind. He showed his visitors his graphs and tables of wind velocities, vortex pressures and stagnation points proving that even a garden bench can fly.

Showing an old colleague round his garden earlier this summer, Clarkson demonstrated his renowned love of Shakespeare. The visitor had commented that his rocks sounded like a scene from *Macbeth*. Clarkson declaimed in the rasping voice well known to erring staff: "Light thickens, and the crow makes wing to the rooky wood". He

would invoke Shakespeare often. Hearing of a management reshuffle, he intoned: "Thus is the eagle mewed, while kites and buzzards prey at liberty."

Clarkson loved Wagner, above all *Parsifal*. After a cataract operation last April he signed his letter *Wotan*. Like his technical reports, his letters were in immaculate English. He used the backs of wastepaper despatched in old envelopes sealed with "Preserve the Rain Forests" or "Don't Let Europe Rule" stickers. He engaged in hunting, ballooning and the Campaign for an Independent Britain.

He was indefatigable in helping the anti-slavery campaigner Margaret Cave to achieve proper recognition for his ancestor Thomas Clarkson (1760-1846). His last engagement was on 26 September when, though unwell, he attended the dedication in Westminster Abbey of a memorial to Clarkson, "the friend of slaves". As senior living descendant he posed for photographs with the present Lord Wilsborough. Three years ago he opened the Clarkson anti-slavery museum in Wisbech, Cambridgeshire.

Richard Clarkson was a Fellow of the Royal Aeronautical Society, which awarded him its British Gold Medal in 1966 for "outstanding contributions to aircraft design".

J. M. Ramsden

**Richard Milroy Clarkson**, aeronautical engineer; born London 14 July 1904; OBE 1950; married 1940 Sylvia Paice (one daughter); died Yeovil, Somerset, 7 October 1996.

## John Vassall

John Vassall was blackmailed by the KGB because of his homosexuality, and obliged to spy for them for seven years from the mid-1950s while working as a comparatively junior civil servant in the Admiralty.

His lowly clerical grade did not mean he was denied access to innumerable secret documents. In Moscow, where he was posted aged 29 and entrapped with contemptuous ease by the KGB within months, he made an excellent impression on his superiors. Their reports commended the young man's "first-class appearance and manners", his unruffled comportment, readiness to please and exemplary moral standards.

In the wake of the notorious Foreign Office spies Burgess and MacLean, who had defected to Moscow in 1951, much was made of ever more rigorous vetting procedures designed to appear American fury over British sexual laxity. Homosexual behaviour was still a criminal offence in the United Kingdom and the Soviet Union. This meant that sexual entrapment along precisely the lines experienced by Vassall was such a danger that anyone vulnerable should have been denied sensitive access.

After Vassall's arrest in 1962 it became apparent yet again that the KGB were far more adept at spotting vulnerable individuals than were the Foreign Office personnel department. It also emerged that Vassall's selection for Moscow, of all places, had been in part an economy measure. Traditionally, his job

had been performed by a married man, but to avoid allowances for couples they had posted a bachelor instead.

His treachery had been rewarded with plenty of cash after initial threats to send his mother photographs of her son enjoying a homosexual orgy. Vassall spent lavishly on clothes and frequent holidays at a time when only the rich could afford to follow the sun. The rent of his Dolphin Square flat alone was not far off his entire income after tax.

These facts proved damaging to the Macmillan government, which was already under pressure after another naval spy, George Blake, had been sentenced to a record 42-year sentence for spying. Vassall joined the Admiralty. While in Moscow he had printed a special card reading "Junior Military Attaché", and had even been rebuked for turning up at social occasions thought to be too elevated for his grade. Back in London (from 1957), he used his spymaster's cash to cut something of a swath in the underground world of homosexuality. His sartorial role model was the Hon Thomas Galbraith, the junior Admiralty minister he served as personal secretary before moving to military intelligence. He kept a silver-framed photograph of his boss in naval uniform on his desk.

In retirement, Vassall's father had become an *ex officio* curate at St James's, Piccadilly and his son made some play of his connection with this then fashionable establishment.

He liked to impress friends with connections in high places and often cited Lord Foggington, a character in Vanbrugh's play *The Relapse*, to the effect that this was the sole church in London with a congregation compiled entirely of gentlemen. He was also wont to repeat compliments he said he had received for his "bedroom-eyes".

The importance of his espionage disclosures were never revealed. The tribunal set up under Lord Radcliffe established that there had been no impropriety in his relationship with Galbraith who, though he felt obliged to resign, later received a more senior government job. The main victims of Radcliffe were the press, two of whom served jail sentences for refusing to name sources.

Having converted to Catholicism, Vassall proved a model and increasingly religious prisoner, whose spiritual life was enriched by visits from Lord Radcliffe himself.

Victim of historical circumstance as much as anything, he might in another age have found a vocation as a gay cleric. As it was, he changed his name to John Phillips and spent his declining years in total anonymity and obscurity in St John's Wood, north London.

**David Leitch**

**William John Vassall**, spy; born London 20 September 1924; died London 18 November 1996.



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Pete Rozelle was quite simply, the best commissioner ever to serve a major US sport. For almost three decades he ran America's National Football League.

When he took over in 1960, as a little known fallback choice of the league's owners after 23 rounds of voting, professional football was chickfeud - an uninspiring hotchpotch cluster of local teams, local markets and purely local rivalries.

By the time he retired, the NFL had outstripped major league baseball to become a national institution, the country's richest, best run and most widely followed sport.

In a business dominated by short-term greed rather than long-term vision, Pete Rozelle was the exception. From the outset he understood three things: the vast possibilities of television for the sport, the need for financial equality between clubs and that, to ensure the credibility of the product, no star could be bigger than the game.

Rozelle began his NFL career in 1952, when he joined the Los Angeles Rams as their public relations director. Five years later he became their general manager, and it was from this position that he took over the NFL.

The NFL Rozelle inherited

at the age of 33 consisted of just 12 teams with hugely varying resources. Back in 1960, the New York Giants could sell their television rights for \$350,000 a year, but the Green Bay Packers from remote northern Wisconsin could command

only a tenth of that. Displaying the gift for compromise that would be a hallmark of his tenure, Rozelle persuaded the owners not only to allow him to negotiate a single television deal for the entire league - but to share the proceeds equally.

Thus was born the concept of revenue sharing that today generates \$40 million of television income for each of the NFL's 30 teams. Two years ago, baseball was paralysed by the longest ever strike in sports history over the very same issue, which was a lesser extent torments ice-hockey and basketball.

The NFL has had its share of turmoil over the years, including three strikes by unionised players and countless spats over franchises in what other sport would shift the team from Cleveland to Baltimore require round-the-clock police protection and be a subject of debate in Congress? But revenue sharing is an accepted article of faith. And the \$1.6 billion four-year deal in 1993 with Fox television is the measure of the NFL's unrivaled popularity.

Finally, Rozelle insisted on a clean house. Back in 1963 he banned two of the sport's top stars, Alex Karras and Paul Hornung, for gambling, and despite several well-advertised drug scandals, football is still strictly run today. That incidentally was the year of what the commissioner acknowledged as his "great mistake", permitting play on 24 November, two days after the assassination of President Kennedy.

But that controversy has long

since settled. Pete Rozelle's lasting legacy is the changed habits of his fellow countrymen. In 1970 he merged the NFL with the rival American Football League - but not before investigating a regular season finale game between their respective champions. Later it would be called the Super Bowl, the single biggest event on America's sporting calendar, bigger than hockey's Stanley Cup or the NBA basketball championship, bigger even than the World Series.

But even the ordinary NFL season has transformed American weekends. For three hours each Sunday afternoon in winter the streets of major cities are eerily deserted because of televised football. To the mix Rozelle then added that other institution of Monday Night football, bringing the sport into tens of millions of homes in mid-week prime time, and forcing cinemas and bowling alleys to shut down in droves while the game was on.

Even Thanksgiving has been reshaped by the NFL. A televised afternoon game is as much a part of America's great family holiday as turkey, pumpkin pie and a visit from the grandparents. Few Presidents can claim as much.

**Rupert Cornwell**

**Alvin Ray (Pete) Rozelle**, sports executive; born 1 March 1926; General Manager, Los Angeles Rams football club 1957-60; Commissioner, National Football League 1960-89; died Rancho Santa Fe, California 6 December 1996.

## CASE SUMMARIES

9 December 1996

to pay outstanding financial penalties out of her income support because her partner refused to let her use it for that purpose, since the income support received by the appellant's partner was for both of them and the appellant was entitled to a share in that money to pay off her fines.

**Richard Button (Marsh Ferriman & Cheke, Worthing) for the appellant.**

**Tradition** crime. The magistrate might, by relying on a sworn statement for example, be satisfied that heroin was listed in the schedules.

**Malcolm Fortune (Robin F Clark & Co, Greenwich) for the applicant; John Hardy (CPS) for the Italian government and governor of Bristol Prison.**

**Road traffic**

**Re Agar; QB Div Ct (Schlemmer LJ, Butterfield J) 20 Nov 1996.**

The mere failure to include a copy of the Italian schedules specifying that heroin was a prohibited drug, while it might justify the Home Secretary in not proceeding further with an extradition request until such copy was furnished pursuant to a request for supplementary information, did not necessarily inhibit the magistrate from being satisfied that the authority to proceed related to an ex-

tradition crime made no difference.

**John Gibson (Lester Dixon & Jeffcock, Nunhead) for the appellant; Patrick Sudd (Hamer Bell & Worcester) for the respondent.**

**Tenancy**

**Easdale AB & son v Pearl Assurance plc; CA (Stuart-Smith, Morris LJ, Sir John May) 8 Nov 1996.**

Where during the course of a fixed term lease a tenant of an office building ceased to occupy it for the purpose of his business, Pt II of the Landlord & Tenant Act 1954 ceased to apply, thus causing the tenancy to expire on the contractual term date with no need for the tenant to serve a notice under s.27 of that Act or otherwise.

**The contrary decision in Longacre Securities Ltd v Electro Acoustic Industries Ltd [1990] 1 EGLR 91 (CA) was not to be followed, being inconsistent with earlier decisions (not cited in that case) of equal authority.**

**Paul Morgan QC (Geoffrey Delaney, Peterborough) for the tenant; Jonathan Brack (Theodore Geddis) for the landlords.**

## Births, Marriages &amp; Deaths

## DEATHS

**Clay** Margaret Jean Hogarth, died on 30 November aged 84. Much loved by family and friends, former inspiring teacher at North London Collegiate School. Requiescat in pace.

**IN MEMORIAM**

**Piper** John Andrew, 172/45-13889. A dear man, who loved and lived life to the full. We will miss you today and every day. May.

**For Gazette BIRTHS, MARRIAGES & DEATHS** please telephone 0171-293 201 or fax to 0171-

## Why the stock market could eventually be driven to perform the splits

Could the stock market split into an array of stand-alone share markets?

Such thoughts, which have been floating around the City since 'Big Bang' annihilated eyeball to eyeball floor trading 10 years ago, have been given new impetus by Brian Winterflood, the largest market-maker in small company shares.

In an interview in the latest edition of *Smaller Companies Review* he warns that if he finds he cannot compete under the order-driven trading system the Stock Exchange is introducing "we might declare UDI" and set up our own stock exchange. That is not a bluff but it is something I would not like to have to do."

Any break-away might not be confined to the smaller stock market players. It is known that some of the large investment houses, unhappy with what they see as a lack of direction from the Stock Exchange Tower, have talked

about splitting from the traditional Stock Exchange share market and launching their own versions.

Mr Winterflood's SCR comments coincided with new worries that the world could face another share melt-down. On Friday fears of a crash erupted with frightening force.

He warned that in an order-driven system trading in the shares of smaller companies could be impossible in a bear market.

Only the top 350 companies enjoy sufficient trading volume to justify order-driven, as opposed to the present price-driven, trading, he believes.

In a bear market there would, he warns, be only sellers in the small company sector.

"It would then become very difficult for fund managers to get a value on their portfolios. Effectively the shares would go unquoted while the bear market raged."

The wholesale market would, in effect, be a wholesale market traded internationally by large financial institutions. There would be a different set of regulations for the second level market which would embrace the full list of quoted shares with rules to allow price-driven trading in the smaller and medium sized companies. The third market already exists in the shape of AIM.

The wholesale market would

soak up all the big business: "We think it foolish to go on pretending that retail holders of stocks and shares can get the same price as the wholesalers."

One market-maker has

### STOCK MARKET WEEK

#### DEREK PAIN

Stock market reporter of the year

Order-driven trading, embracing the 100 Footsie shares, is due to start on 20 October next year. It is, however, the Stock Exchange's intention for all shares to be subject to the order-driven system although no time frame has yet been produced.

It has to be hoped that the needs of small investors will be given priority as the new-style trading is thrashed out. Many feel the Government and the Stock Exchange authorities have failed to look after the interests of the small shareholder, caving in to the demands of the big investment house; and fund managers.

Crest, the computerised share settlement system which has suffered such a painful birth, is the latest influence which seems to disadvantage the small man.

This week's results get little support from the big battalions. Biggest reporting is Greenalls, the former brewer which co-

joyed a brief membership of Footsie.

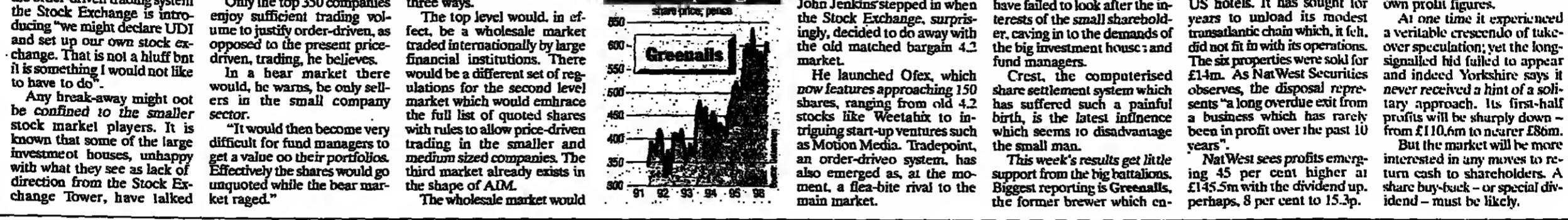
Now a hotel, pub and wholesaling operation Greenalls had the sense to give up brewing as the impact of the Government's controversial Beer Orders became apparent. It has, therefore, been able to extend its pub estate without worrying about the retail ceiling formula Whitehall imposed on the big

Compass, the expansion hungry contract caterer, could top £15m (£7.3m last time). With around 75 per cent of its profits coming from overseas the recent strength of sterling could be creating a few problems.

Yorkshire Electricity could be called the one that got away – at least for the time being. To many old-fashioned punters it must seem incredible that the group is still independent and able and ready to produce its own profit figures.

At one time it experienced a veritable crescendo of take-over speculation; yet the long-signalled bid failed to appear and indeed Yorkshire says it never received a hint of a solitary approach. Its first-half profits will be sharply down – from £110.6m to nearer £80m.

But the market will be more interested in any moves to return cash to shareholders. A share buy-back – or special dividend – must be likely.



Prices are in sterling except where stated. The yield is last year's dividend, prorated up by 20 per cent, as a percentage of the share price. The price earnings (PE) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: \*Ex rights x-ex dividend; \*\*Ex all u United Securities Market's suspended; \*\*\*Partly paid pm Nt Paid Share; \$ AM Stock. Source: FT Information.

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Interest Rates 05

UK Bonds 06 075% Discount 050% Japan 050%

France 07 120% Canada 050% Belgium 050%

Germany 08 075% Spain 050%

Italy 09 075% Portugal 050% Costa Rica 030%

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Australia 11 075% Norway 050% Sweden 030%

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Interest Rates

UK Bonds 06 07

# business & city

Business news desk: tel 0171-293 2636 fax 0171-293 2098  
BUSINESS & CITY EDITOR: JEREMY WARNER

## Utilities fear £5bn bill after call to return pension cash\*

**Chris Godsmark**  
Business Correspondent

The chief executive of one of the privatised regional electricity companies has warned that a landmark ruling by the pensions Ombudsman, which called for electricity employers to hand back surplus cash removed from their pension schemes, could have as big an impact as Labour's planned windfall tax.

It emerged last week that Dr Julian Farrand, the Ombudsman, had provisionally told National Grid to return almost

£44m it removed from the Electricity Supply Pension Scheme, the umbrella body for schemes run by all the privatised firms including power generators. The cash represented about 70 per cent of a surplus identified after a valuation of the Grid's portion of the scheme by actuaries in 1992. Dr Farrand said the Grid had misused the surplus because the rules of the scheme blocked such payments to the employer.

Other electricity companies have since been anxiously taking legal advice on the judg-

ment, which could mean their having to hand back up to £1bn. This could raise serious questions for CalEnergy. The US group is bidding £782m for Northern, which is thought to have taken a substantial portion of the £83m surplus arising at the last two valuations of the company's pension fund. Any re-payments would hit the net worth of Northern.

Surpluses of some £500m were removed by electricity employers after the 1992 valuation, including £176m thought to have been used by National

Power to fund early retirement benefits for staff.

Another valuation in 1995 identified a further surplus of about £650m, of which the majority is also thought to have been taken by the employers.

Peter Woods, the solicitor from Stephens, Innocent who represented the Grid pensioners, was

convinced the ruling would also apply to last year's valuation.

The rules of the scheme haven't altered at all between 1992 and 1995, so the Ombudsman's judgment has to have the same impact in both

cases. There's no question about it.

One regional electricity company, which did not want to be identified before the Ombudsman gave his final warning early in the new year, predicted the judgment would cause turmoil in the industry.

The company's chief executive said: "This ruling is nonsense. It's the employers who have to make up any shortfalls in pension funds so it's only right that employers also get the bulk of any surpluses."

He said the only way to re-

turn the cash would be for electricity companies to take on huge amounts of extra debt. The impact would be similar to Labour's windfall tax on the privatised utilities, which is widely expected to raise up to £5bn.

The company also warned that the industry would have to slash redundancy payments to staff in the future. He explained: "The surpluses help the RECs to make generous redundancy pay-offs, generally of the order of two years' salary. This was the only way we could cut thousands of staff as quickly

as we did. There's just no way we could continue with that if we couldn't use the surpluses."

National Grid has until 17

January to respond to the Ombudsman, but unless it can come up with new arguments his final ruling is likely to back up the provisional judgment.

The Grid would then be certain to take the issue to the High Court, in an attempt to protect its shareholders.

The sharing of pension fund surpluses always lead to complex negotiations with pension scheme trustees. Final salary

schemes make a promise of a pension directly related to an employee's earnings, usually measured in the last three years before retirement, and this means the fund is at risk of having to find a lot of money from somewhere if investment performance is not up to scratch.

Separately, Labour claimed yesterday that the Government had admitted in a Commons reply that gas, water and electricity bills had risen 13 per cent in real terms since 1979, and 3 per cent since the completion of privatisation in 1990.

## Moorfield pulls out of bid for Greycoat

**Peter Rodgers**

Greycoat, the £200m property company, said yesterday that it welcomed an announcement late on Saturday night that Moorfield Estates had dropped its plans for a bid.

Moorfield is a rival property company about a quarter the size of Greycoat by market capitalisation.

It approached Greycoat informally after UK Active Value, an investment company, launched a campaign to force Greycoat to dispose of a number of properties.

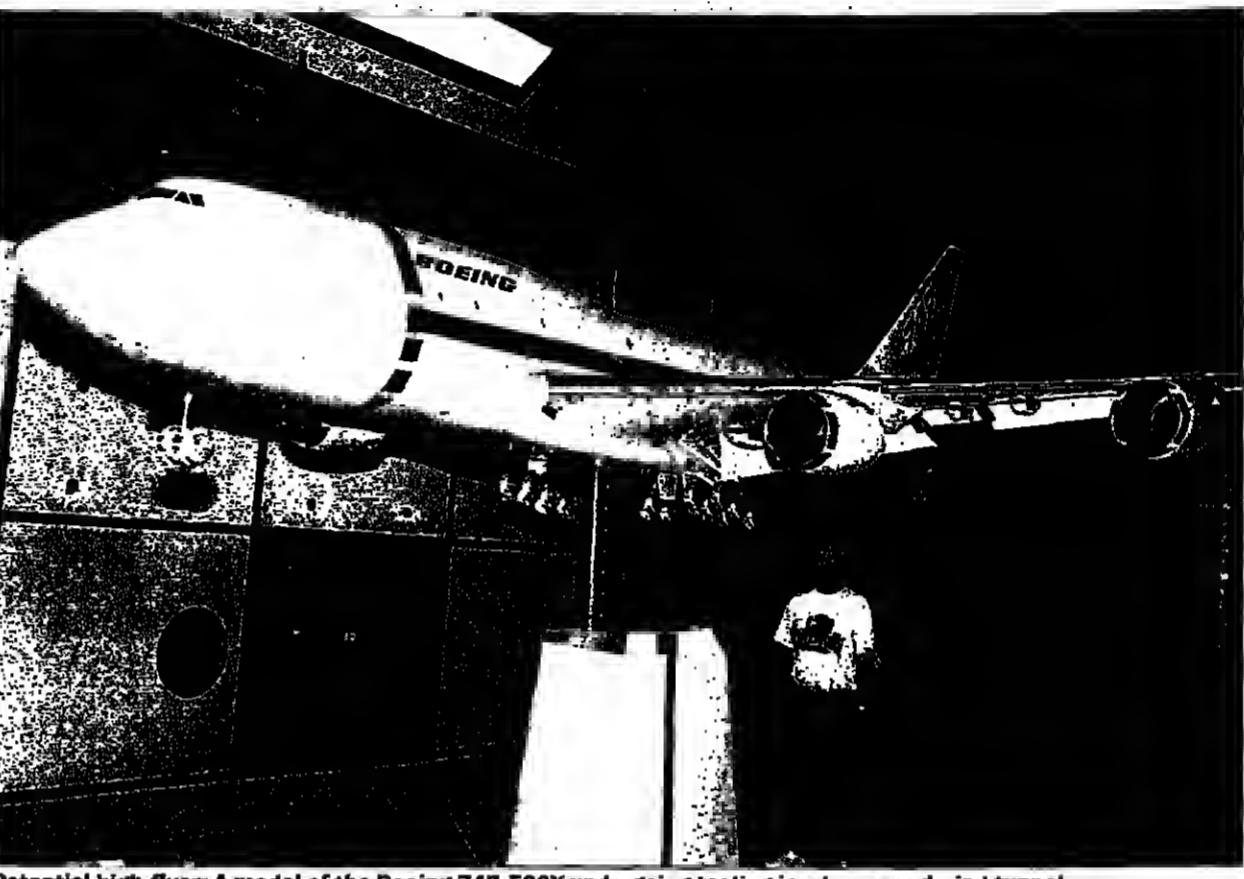
But UKAV came to an agreement with Greycoat last week which allowed the property company to see off rebel shareholders when it voted at an extraordinary meeting.

Michael Beckett, chairman of Greycoat, claimed £300,000 had been wasted organising meetings and paying advisers to fight allegations made by UKAV, which is led by Bryan Myerson. UKAV has 10.3 per cent of Greycoat.

With about 95 per cent of shareholders supporting Mr Beckett against proposals to sell £500m of property and in effect liquidate Greycoat, observers believe Moorfield was bound to bow out of its promised takeover bid.

A spokesman for Greycoat said that there had been no direct communication from Moorfield yesterday and that the company had learnt about the Moorfield decision to withdraw from other sources.

Moorfield said weeks ago it was putting together an all-paper proposal to merge with Greycoat, but appears not to have made concrete proposals.



Potential high-flyer: A model of the Boeing 747-500X undergoing testing in a low-speed wind tunnel

## Boeing success shot in arm for UK aerospace firms

**Michael Harrison**

Britain's aerospace industry stands to win orders worth tens of millions of pounds following Boeing's success in being short-listed for the Joint Strike Fighter project.

The huge programme to build a next generation fighter jet for the US Air Force, Marine Corps and Navy and the Royal Navy could eventually be worth \$150bn (£90bn). Boeing, which is in competition with Lockheed Martin for the programme, has won a \$660m con-

tract to develop its own version of the JSF and says that about 15 per cent of the work will be sub-contracted overseas, mainly in the UK. Among the British aerospace groups selected by Boeing so far are Rolls-Royce, GEC-Marconi and Dowty, British Aerospace was teamed with McDonnell Douglas, which was surprisingly knocked out of the contest last month when the US government narrowed the shortlist to two. BAe confidently expects to play an important role as a sub-contractor to one of the two re-

maining contenders. Mickey Michellich, Boeing's JST programme manager, refused to be drawn on whether it had approached BAe.

"We are in competition with

Lockheed and when it is appropriate to make an announcement we will do so," he said. He added that the proportion of the work undertaken overseas would rise from the present figure. The US and UK requirement is for 3,000 aircraft. The JSF will replace a number of aircraft in service today including American F-18

**Michael Harrison**  
Seattle

British Airways has shelved plans to be a launch customer for the 747-600X, the super-jumbo jet that Boeing hopes will maintain its lead over the rival European aircraft manufacturer Airbus Industrie.

The move is a blow for the US planemaker which was counting on BA to back the \$7bn (£4bn) development programme by placing an early order for the proposed family of 450-550 seaters. The launch of the 747-500X/600X range is four months behind schedule.

Even if the go-ahead is given in the next six months the jets, which will cost \$200m each and carry 50 per cent more passengers than a conventional jumbo, will not be in service until 2001 at the earliest.

BA's withdrawal is the latest complication for the super-jumbo programme. It has also been affected by uncertainties over what engines will power it and plans by Airbus to launch its own 500-800 seat double-decker aircraft, the A3XX.

John Woodard, president of the Boeing Commercial Airplane Group, said: "The odds of launching this programme are a little better than 50/50 but it is not a slam dunk. We will be betting the company on this project and we have a tough business case to prove."

Although BA is still part of the airline working group ad-

vising Boeing on the project, it is not now thought to be actively negotiating an order.

BA is instead concentrating on other priorities – the merger of transatlantic services with American Airlines and its goal of saving an extra £1bn by the end of decade by turning itself into a "virtual airline".

So far only two long-haul carriers – Thai Airways and Malaysian Airlines – have said they intend to buy the new Boeing aircraft. Thai and Malaysian have indicated they would purchase 12 jets but Boeing needs more orders from a bigger number of airlines to launch the programme.

John Woodard said there were "no plans or even dreams" to develop the collaboration with McDonnell Douglas into a merger of the two companies.

"We know they have other things on their mind but it is very important to have BA as a launch customer," said Mr Woodard.

Boeing and Airbus mean-while continue their cat and mouse game over the development of their rival super-jumbo programmes.

Mr Woodard said Boeing estimated the market for 500-plus seaters aircraft at only 470 over the next 20 years and claimed that the Airbus A3XX could cost \$18bn-\$20bn to develop. Airbus puts the market at 1,380

## Knight refuses to ease takeover rule for societies turned banks

**Peter Rodgers**  
Financial Editor

Angela Knight, the Treasury minister, insisted yesterday that she would not back down on her plans to make building societies that become banks lose their protection against takeovers, if they make a bid of their own.

Mrs Knight was speaking ahead of a meeting of Alliance & Leicester members in London's Docklands tomorrow to approve the conversion and flotation next year.

The society has been the most vociferous critic of the proposal to make the five-year protection against bids conditional on not mounting takeovers for other financial institutions.

With Alliance, Woolwich and Northern Rock all complaining that their flotations are threatened by her new building societies legislation, she said "we

are talking about building societies as big as the Royal Bank of Scotland and larger than Guardian Royal Exchange".

Mrs Knight added that it would be "so discriminatory to allow these huge financial institutions to make hostile bids against others without those other institutions being able to

protect themselves. They would be unable to do a counter-bid because of the protection."

She said she was not prepared to make changes in the core proposal of removing the five-year protection from any converted society that made a bid for another financial institution.

She believed there was an extensive range of activities societies could undertake without losing their protection, including the purchase of mortgage books and mortgage brokers and joint ventures with other companies, for example in the insurance industry.

She also denied a weekend report that her draft Building Societies Bill would be softened, to allow agreed mergers with other building societies to take place without loss of protection.

Mrs Knight's refusal to include even agreed mergers with other building societies in the

draft Bill is likely to disappoint Woolwich, which has been pressing her to say that protection can be maintained in these cases.

Mrs Knight said the problem with the proposal was that it had never been possible to define an agreed takeover in law.

Woolwich is thought to be less likely than Alliance & Leicester to mount large-scale takeovers after conversion, and it flatly denied yesterday it had been in talks with Royal Bank of Scotland, after a merger approach from the bank. A spokesman said preparations for the flotation were going ahead.

Mrs Knight also said she was seeking a way to allow a converted society to drop the protection "if it really wanted to" while setting the threshold for voting at a level that would stop the society being "bounced" by a relatively small number of shareholders.

## Wickes poised for £50m cash call

Wickes, the DIY retailer, is likely to call on shareholders for extra cash this week. Some City analysts believe this could trigger a takeover bid for the company, whose senior management are under investigation by the Serious Fraud Office.

"We have not given an exact date for the rights issue but it is likely to be this week," a spokesman said yesterday. The group is expected to seek £50m in a move designed to plug a hole in its finances following the discovery of accounting irregularities.

Potential bidders include building materials giant RMC and Woolworths to Comey group Kingfisher. Analysts believe Wickes would command at least £200m.

The Serious Fraud Office launched an investigation late last month into the former senior executives of the group. Henry Sweetbaum, the

company's chairman and chief executive, resigned in June after disclosing that past profits were overstated.

In October it was announced that he had agreed to repay £720,000 of profit-related bonuses.

Former finance director Tre

for Llewellyn, who left to join another company, agreed to pay back £485,000.

A report commissioned by the new management from Price Waterhouse and the law firm Linklaters & Paines found that profits had been overstated by a total of £51m over a number of years.

New chairman Michael von Brentano said in a shareholders' circular that Mr Sweetbaum must accept "ultimate responsibility" for the overstated profits, adding that there was no evidence that Mr Sweetbaum or other directors had been aware that supplier rebates had been prematurely booked as profits.

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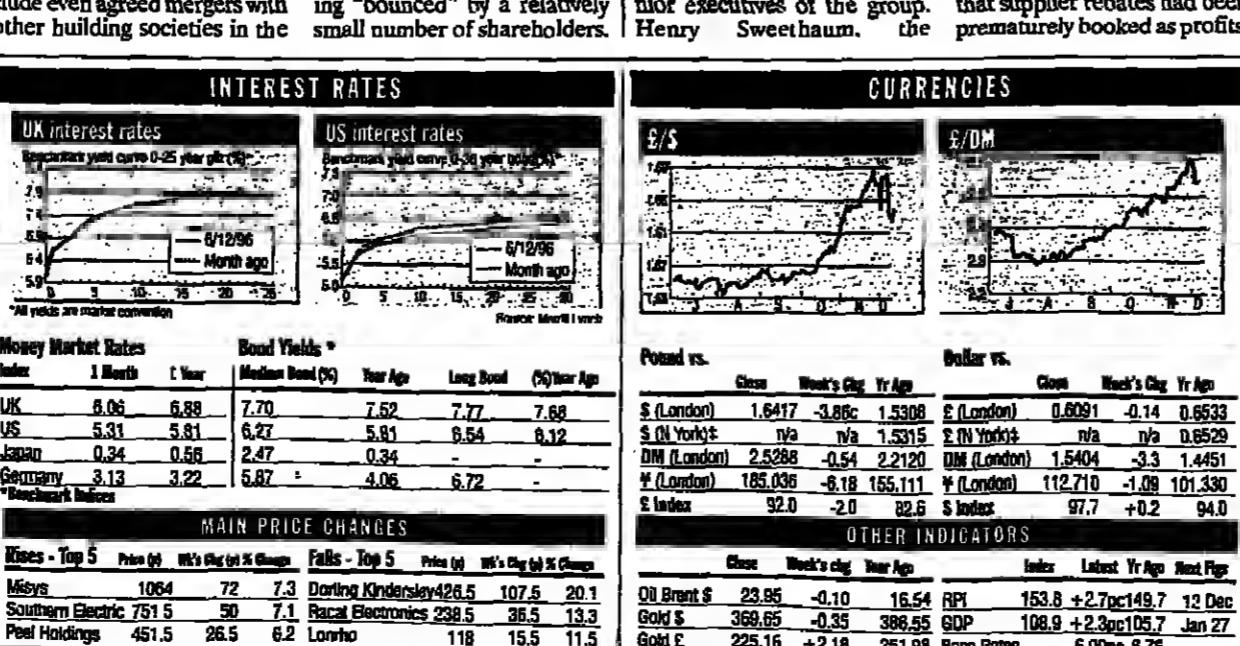
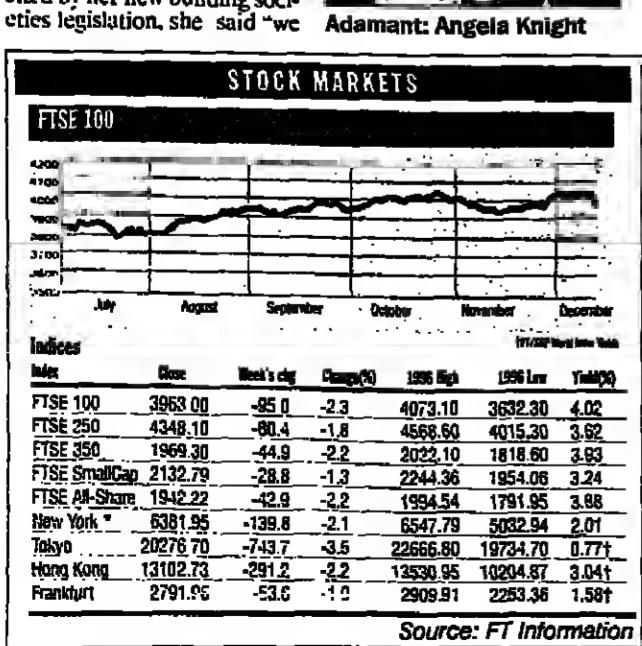
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GAVYN DAVIES

'Higher public borrowing by our European neighbours will increase the level of real interest rates throughout the single EU capital market, whether or not that market is bound together by fixed exchange rates. We cannot declare independence from these effects'

## Son of ERM can stave off a shotgun wedding

If Britain eventually decides to stay out of the single currency, as even Ken Clarke is reported to believe that we will, it will be crucial for our future to avoid a situation in which we simply drift away from the EU as an organisation. There will be a powerful tendency for this to take place, but we can mitigate it by adopting a co-operative and integrationist approach to other items that are on the EU's economic agenda.

For example, there is our attitude to Stability Pact, a budgetary arrangement that will probably be agreed in principle at the Dublin summit next weekend. The Germans have been asking for a 'pact with teeth' but sadly, according to one government official this week, the outcome is likely to be a 'pact with dentures'. This means that the teeth in the mechanism will be removable by the user at will, ie that the enforcement mechanism needed to avoid excessive budget deficits inside the single currency will not be as tough as the Germans originally proposed. Even so, we should recognise that this 'pact with dentures' is in the interests of all low-debt economies like the UK, whether or not we join the single currency.

This particular ploy has not yet dropped in the minds of the Euro-sceptics, who seem hostile to the pact as a general, and not just as it would apply to the UK if we ever joined EMU. The point is that higher public borrowing by our European neighbours will in-

crease the level of real interest rates throughout the single EU capital market, whether or not that market is bound together by fixed exchange rates. We cannot declare independence from these effects.

Martin Brookes of Goldman Sachs has recently estimated that a successful Stability Pact will eventually reduce the level of European real interest rates by up to a full percentage point (admittedly over 25 years). The UK has a very strong vested interest in encouraging this to take place. Not only will it save the government about £4bn a year in interest payments, but it will also boost the level of capital investment, and the rate of sustainable GDP growth. Why anyone should imagine that it is in our interests to encourage the Italians to run huge budget deficits - which by implication is what the mechanism will be removable by the user at will, ie that the enforcement mechanism needed to avoid excessive budget deficits inside the single currency will not be as tough as the Germans originally proposed. Even so, we should recognise that this 'pact with dentures' is in the interests of all low-debt economies like the UK, whether or not we join the single currency.

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Euro-sceptics are arguing - is most unclear. Another question which will be raised by the Dublin summit is whether the UK should consider rejoining the new ERM system. Obviously, this is not an imminent question, since the initials E-R-M are too horrible to mention in the presence of the Conservative Party. However, if we imagine the quite likely circumstances of a change of government, followed by a decision by a Blair administration to stand aside from the first round of EMU itself, things would suddenly look very different. A large element of the Labour cabinet would want the UK to minimise the adoption of the status of a 'pre-in', rather than a permanent 'out', and a crucial litmus test of Labour's sincerity in this regard will be membership of ERM2.

Memories of our last experience with the ERM are so painful that any suggestion that we should rejoin is likely to be met with much derision. However, after the single currency has been launched, the risks of the UK simply drifting away from our closest neighbours are intense. Their main political attention will be on making EMU work, and they are likely to become resentful about the UK acting as a 'free rider', taking advantage of the single market without accepting the obligations of membership of the single currency. If we intend to place ourselves nearer the heart of Europe, as a Labour government presumably will, we can hardly do this

while standing completely aside from monetary integration. By committing ourselves to ERM2, we would be reassuring other EU members that we had no intention of indulging in competitive devaluations against them, and indeed that we intend to enter the single currency when our economy is sufficiently integrated with theirs.

Some people would argue that if we are to rejoin ERM2, then we might as well go the whole hog and join the single currency itself. But this is quite wrong. The unique disadvantages of the single currency are first that we would be giving up the ability to vary domestic monetary policy in response to domestic economic shocks, and second that there would be no viable exit route for the UK in the extreme circumstances where things go very wrong. It seems doubtful that the UK economy is yet sufficiently integrated with the core EU countries to justify taking these risks. Under ERM2, we would not have to.

The ERM2 proposal is that a central rate

should be set for sterling against the euro, but that the intervention bands should be wide, probably of the order of 15 per cent either side of the central rate. Later, these bands could be narrowed as the process of integration proceeds. For illustration, the graph shows what this might have involved if sterling had joined such a mechanism early this year, though for familiarity we express the entry rate against the German mark, rather than against the (non-existent) euro. This does not change the substance of the argument.

The central rate chosen on the graph is DM2.55. Recall that sterling originally

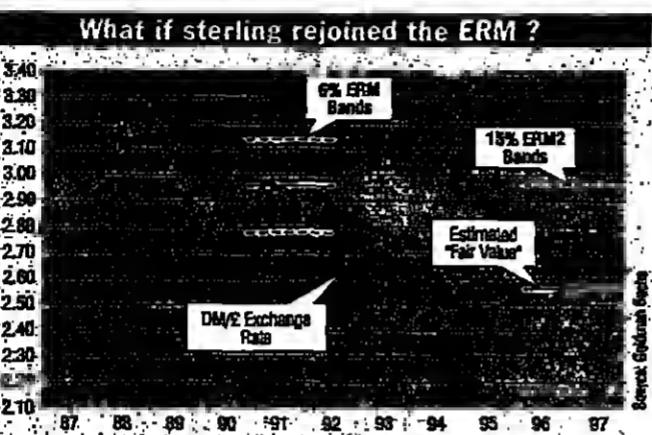
joined the ERM in November 1990 at a rate of DM2.95, but in retrospect most observers appear to believe that this rate was set too high, and that a rate of (say) DM2.80 would have been more appropriate.

If we update this DM2.80 rate from 1990 to the present, using relative price inflation in the two countries over the relevant period, we find that the central rate implied by this process is around DM2.55, which happens to be very close to today's actual rate.

This is also confirmed by recent econometric analysis by Jim O'Neill and Stephen Hull of Goldman Sachs, which concludes that the equilibrium for the exchange rate on various estimates is between DM2.42 and 2.76.

If we rejoined the ERM at a central rate of DM2.55, then the limits of the bands would be DM2.95 and DM2.15. This encompasses virtually the whole of sterling's actual fluctuations since the ERM broke up in 1992, which implies that we would be left with all of the freedom we need to vary domestic monetary policy, and to allow sterling to oscillate up and down with interest rates.

But these temporary fluctuations would be very different from accepting a trend devaluation in sterling over long periods, which we would actively seek to avoid. This would be a perfectly good compromise until the UK left that it was sufficiently integrated with other EU economies to justify full membership of EMU. In the choice between being semi-detached from the EU, and wholly detached from it, ERM2 and the Stability Pact have important roles to play, and it would be sad if false analogies with ERM1 were to prevent this from being properly considered.



## Share shock likely to leave rates on hold

Diane Coyle  
Economics Editor

Interest rates are unlikely to rise on either side of the Atlantic before the new year, following last week's sharp drop in share prices. But analysts predicted at the weekend that stock markets were likely to remain unsettled for the rest of the year.

Similarly, the US Federal Reserve is not expected to increase US interest rates at the 17 December meeting of its policy committee, even though the

US economy will probably be showing fresh signs of strength.

The Bank has said that the strength of demand points to the need for higher interest rates at some stage, but Mr George played down financial market fears about the pressures.

"Unless the economy roars into the new year, the Fed is unlikely to tighten policy. The jitters in the financial markets will

High street tills will jingle to the tune of around £23.5bn this Christmas. "Some people do quite literally go mad - 10 per cent of the respondents in our survey said they would spend over £1,000 in Yuletide celebration," said John Strachan, in charge of retail property for consultancy Healey & Baker.

Children will have about £7bn spent on their presents, according to the survey covering 2,000 people. The bill for adult presents will come to £6.5bn. The nation is likely to spend £5bn on food

and £1.9bn on drink - a half of total annual spending on alcohol. The remaining money will go on items such as videos, trees and decorations, and going out.

The Welsh spend the most on Christmas, at an average of £659 against the national average of £517. Londoners are the stingiest when it comes to presents. Although they will spend a fifth more than the national average on going out over the holidays, their total average Christmas bill will be only £459.

US bond market are likely to be hit by year-end profit-taking by the giant mutual funds.

These are sitting on enormous paper profits, and Friday's dive will encourage them to lock in their results before the Christmas holiday.

In addition, most funds change their portfolio positions by taking big positions in the futures markets around new year. This too could lead to more upsets during the next few weeks, according to Goldman Sachs equity strategist Abby Cohen.

The US economy has so far combined steady growth with low inflation. Figures on Friday showed a smaller-than-expected rise in the number of new jobs last month but a sharp increase in hourly earnings. This week's consumer price figures are likely to show inflation

picking up above 3 per cent. Economists expect figures on Thursday to show the UK's annual headline rate of inflation remaining above 3 per cent.

A survey published this morning by the Engineering Employers' Federation shows that pay settlements in the industry have remained steady at an average of 3 per cent.

David Yeandle, head of employment affairs, welcomed this prudence, saying: "We are encouraged to see that pay settlements in the industry are stable."

On the other hand, the signs of the consumer spree continue to build up. A survey by property consultants Healey & Baker, also released this morning, estimates that consumers will spend £23.5bn on Christmas this year, a £700m increase over last year.



Spending escalates: Consumers are expected to part with £23.5bn this Christmas, up nearly £1bn on last year

### IN BRIEF

• Creditors of the Bank of Credit and Commerce International are to receive a 24.5p in the pound payout tomorrow from the liquidators Deloitte and Touche and a second dividend of at least 10p in the pound more is promised within 16 months. BCCI collapsed in 1991 with debts of \$10bn and the payout has been delayed by lengthy court arguments.

• The head of a water firm facing a takeover bid from two French groups yesterday claimed services to 530,000 customers would hit if the move was successful. An MMC inquiry into the joint bid for Mid Kent Holdings is due to be completed. President of the Board of Trade Ian Lang will consider the Commission's findings before giving a ruling next month on whether the takeover could go ahead. The two companies, General Utilities and Saur, have not yet put a formal takeover offer on the table.

• US officials were optimistic yesterday about prospects for a free-trade pact on information technology at the first annual meeting of the World Trade Organisation. At negotiations between the US, Japan and the EU, on the eve of the five-day WTO meeting in Singapore, officials discussed the removal of remaining trade barriers in computer and telecommunications equipment by 2000.

• British Gas was reported at the weekend to be ready to barter control of its Morecambe Bay gas field to ease the burden of the company's take-or-pay contracts with the gas production industry.

• RAT is looking at ways to strengthen its financial services empire, including a merger or partnership with a bank, building society or insurance company. The group has ruled out a demerger of its insurance business.

• Renters said in response to a report yesterday that it had shelved its plan for a special dividend that it was continuing to look at the options.

• Peter Goldie, former managing director of the collapsed British & Commonwealth, is understood to have been disqualified as a director for five years at a hearing in the High Court on Friday.

### Firms all at sea overseas

The take-up and success of overseas postings would improve if companies gave more help to the partners of staff they want to send to work abroad, writes Diane Coyle.

Although clearly three-quarters of companies recognise that working partners have become a more important barrier to their employees taking up international assignments, only two-fifths have a policy to help these wives or husbands.

A survey published today by the Confederation of British Industry and Organisation Resources Counsellors advises companies to become more sensitive to employees' family needs.

John Cridland, the CBI's director of human resources, said: "Selecting the staff to send overseas would be improved if firms treated the partners as part of the team."

Of the 38 per cent of survey respondents with a formal policy, the most common help given to partners was language training and help with work permits and job searches.

## Millennium technology gives banks a headache

Jill Treanor  
Banking Correspondent

The race to install new technology to adapt to Crest, EMU and the start of the next millennium is causing concern for the City's investment banks which plan to analyse the effect the rapid pace of change is having on resources.

The problem is not with the cost of these changes - which is running into hundreds of millions of pounds - but with the number of people and the amount of time available to make the changes.

Kit Farrow, director of the London Investment Bankers Association (Liba), said: "It's a question of whether we're attempting to achieve more than collectively City institutions can cope with."

Crest, the new electronic share system, is continually dogged with problems and the introduction of new shares to the system has been delayed.

Problems with Crest have had a knock-on effect on the Bank of England's plans to upgrade the Central Gilt Office electronic settlements system which will use the same software as the Crest system.

This means that plans to trade the interest payments on gilts separately from the principal - known as "strippable" government bonds - have been pushed back further into 1997.

On top of these immediate changes, City banks are preparing their computer systems for the introduction of the euro, the single European currency, in 1999. Regardless of whether Britain takes part in the unif-

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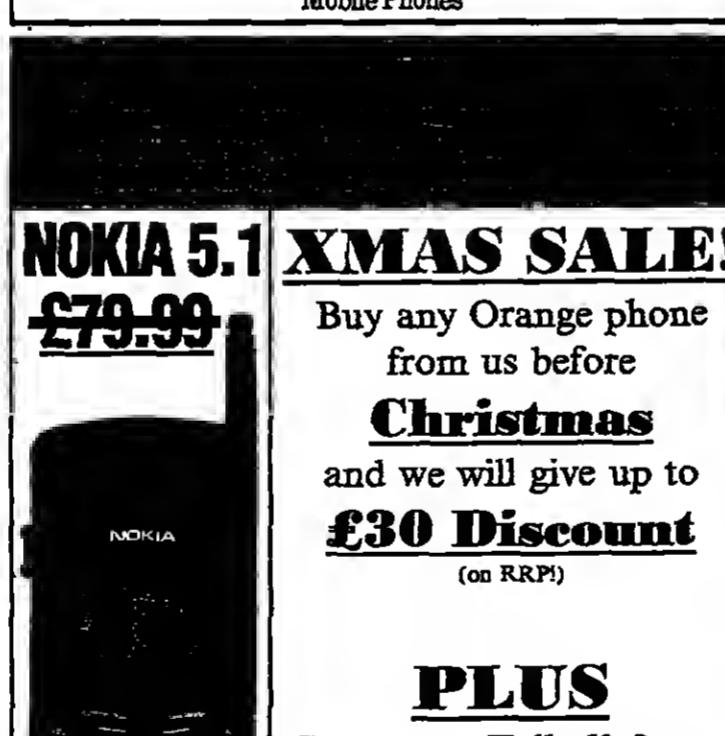
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We're turning our attention increasingly to the load on systems changes," said Mr Farrow. Liba was looking at this issue more vigorously than in the past, and was talking to its members about the problems technological changes could be posing.

"We're very anxious not to jump to conclusions," said Mr Farrow. "But we may find that there are real questions to try to explore with members."

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## science

# Putting psychics to the test

An arch-sceptic is offering \$1m in a challenge to belief in the paranormal, writes Wendy Grossman

**Y**ou could become a millionaire if you have psychic powers. A fortnight ago, James Randi, the magician and noted debunker of paranormal claims, announced that he has \$1,073,000 waiting as a challenge prize for anyone who demonstrates psychic powers under controlled conditions.

"Just ask for an application form: send a letter plus a stamped, self-addressed envelope to this address (international applicants can forget the stamp) and fill it out, have it notarised, make the claim, demonstrate it, and walk away with *more than one million dollars!* It's that simple," he said on his Internet mailing list recently. "Again I ask, why isn't the lobby of the James Randi Educational Foundation jammed with psychics? Perhaps they were waiting for the prize to be worthwhile? Well, now it is."

If things go well, you might pick up another \$1m from Uri Geller, who has promised to pay that to anyone who can bend the spoon in his transparent safe, via a link across the World Wide Web. (Though you will have to do it again in front of a representative from his insurance company.)

But generally, these are hard times for those who approach all paranormal claims sceptically. (They are often known as skeptics – the "k" harks back to the American origins of their movement.) At June's World Congress to mark the 20th anniversary of the founding of the Committee for Scientific Investigation of Claims of the Paranormal (CSICOP), speakers contend that anti-science is growing everywhere, even within academia.

Yet comparing polls since 1989 suggests little change in the public's belief in topics such as precognition, lucky charms, and exchanging messages with the dead. If anything, they're slightly down. A sample: in 1989 42 per cent of those polled said they believed in life after death, while 42 per cent said they didn't; by 1995 those numbers were 39 and 44 per cent respectively. The only exception is belief in flying saucers, which showed a small rise in belief, from 21 per cent yes and 69 per cent no to 24 per cent yes and 67 per cent no.

But Randi, who has been investigating paranormal claims for more than 30 years, and was a founding fellow of CSICOP, questions the polls' accuracy. He cites other indicators: in 1965 Books in



James Randi, crusader against supernatural trickery, despairs at the growth of irrationalism: 'Scientifically we're in a dark age ... thinking is out, acceptance is in'

Print listed 131 books promoting paranormal claims; in 1996, it was 2,860. And look at homeopathic remedies (untested in double-blind trials) and the prevalence of programmes such as *The X-Files*, which some think is documentary.

"If you had asked me six years ago, I would have been encouraged. But immediately after that there started a rapid slide downhill. And it's just catastrophic today," he says. The sceptics' attitude "is just unpopular – to be logical, informed, to be rational. Thinking is out, acceptance is in."

Earlier this year he set up The James Randi Educational Foundation (JREF), intended to conduct and finance research into paranormal claims, run classes and seminars, award scholarships, and maintain a library of relevant research material, including a pre-

ssence on the World Wide Web. JREF also awards the annual Pigati trophy ("trophies will be sent via psychokinetics"). And now there's that \$1m awaiting a psychic willing to be tested.

The prize won't be easily won. In

1986 Randi exposed the faith-healing televangelist Peter Popoff by playing the information being fed into Popoff's ear by his wife backstage to nationwide television audiences. (Popoff had claimed that the information came from God.)

Randi has tested dowagers in Australia, table-tippers in Italy, and, most recently, therapeutic touch practitioners in Colorado.

But Randi is best known for challenging Uri Geller, the Israeli who since the Seventies has drawn attention to his claims that he is able to use the power of his mind to bend spoons, start stopped watches, read minds, and even

speak to aliens. Randi does a very persuasive job of imitating parts of Geller's act using the tricks of the stage magician's trade.

His experience with Geller demonstrates what a tricky business both testing psychic claims and reporting the results can be. In 1991, Geller sued CSICOP and Randi jointly over comments that Randi – then a member of CSICOP's executive council – made in an interview with the *International Herald Tribune*. Randi suggested that Geller had "tricked even reputable scientists" with techniques that "are the kind that used to be on the back of cereal boxes when I was a kid. Apparently scientists don't eat cornflakes any more."

The case against CSICOP was dismissed in 1993, with Geller ordered to pay almost \$150,000 in costs – though CSICOP later settled for \$70,000. Randi and Geller

tackled a similar problem, after environmentalists complained of legal harassment from companies which they accused of pollution. The Colorado law requires any suit in which government decisions are at stake (for example, permission to build a nuclear power plant) to pass a test to show that it's not frivolous.

Perhaps something of the kind is needed to protect scientific inquiry in the field of paranormal research. Meanwhile, while Randi would say that \$1m has never been safer, he himself is still at risk. And science is the loser.

*The Skeptic* magazine can be reached at PO Box 275, Manchester M60 2TH, [skeptic@cs.man.ac.uk](mailto:skeptic@cs.man.ac.uk), or <http://www.cs.man.ac.uk/skeptic>. The James Randi Educational Foundation is at <http://www.randi.org>. CSICOP is at <http://www.csicop.org>.

## theoretically ...

Faces aren't enough to recognise a person, according to researchers at the Massachusetts Institute of Technology, who report in *Nature*. Countering the long-standing thinking that we remember a face by storing data about relative positions of eyes, nose and mouth, they say that you also need to know about shape and position of their head. They demonstrated the effect using digitally manipulated pictures of Bill Clinton and Al Gore. Where they found people who could remember what Mr Gore looks like isn't recorded.

Why don't models of ozone depletion in the Arctic match reality? Because, say a team in Paris in the latest *Nature*, the computer models can't reproduce the tiny variations in spatial distribution of the ozone-eating chemicals. These could account for big discrepancies between forecast and observed ozone depletion around the North Pole, they say. While models work well with the Antarctic, the polar air circulation is less

uniform in our hemisphere. To back up their suggestion, the researchers used an ultra-high-resolution model to show that ozone depletion really is sensitive to small-scale differences. For the winter of 1994-95, the effect is large enough to account for the Arctic ozone depletion being 40 per cent greater than models predicted.

The River Nile's great bend, where it zigzags from its northerly path to head southwest for almost 300 miles before heading north again, is probably due to tectonic forces. A report in *Science* based on radar-sensing data from the Nasai space shuttle suggests that the southwesterly movement is comparatively recent, caused by geological uplift from faults in younger rock beneath it. The northwards flow dates from Precambrian strata. So it's not civil engineering to make the curves longer.

Family-linked cases of Alzheimer's disease tend to occur at an earlier age than the "spontaneous" forms. The role of the genetic link – a gene known as PS2 – is

becoming clearer. New US research has found that PS2 mutation produces a molecule which makes neurons more likely to commit "cell suicide" (apoptosis). Perhaps, say the team at the National Institutes of Health in Bethesda, Maryland, the molecule makes neurons more sensitive to the "normal insults" of ageing, adding to the toxic burden in the patient's brain.

Massively fat, diabetic and infertile: it's no fun being a mouse deficient in leptin. That's the hormone encoded by the "Ob" (for obese) gene which helps you lose weight by suppressing appetite and stimulating your metabolism. But as dieters will have suspected, leptin isn't the only player in the weight charades. A neuropeptide called NPY, known to regulate energy balance, reaches high levels in leptin-deficient mice. But mice that don't produce leptin or NPY are less obese than their leptin-deficient mates and suffer less from diabetes or sterility. Gene therapy for weight loss? The day might not be far off. It's just that you would have to mediate a lot of genes.

**THE INDEPENDENT CROSSWORD**  
No. 3165, Monday 9 December  
By Corgi

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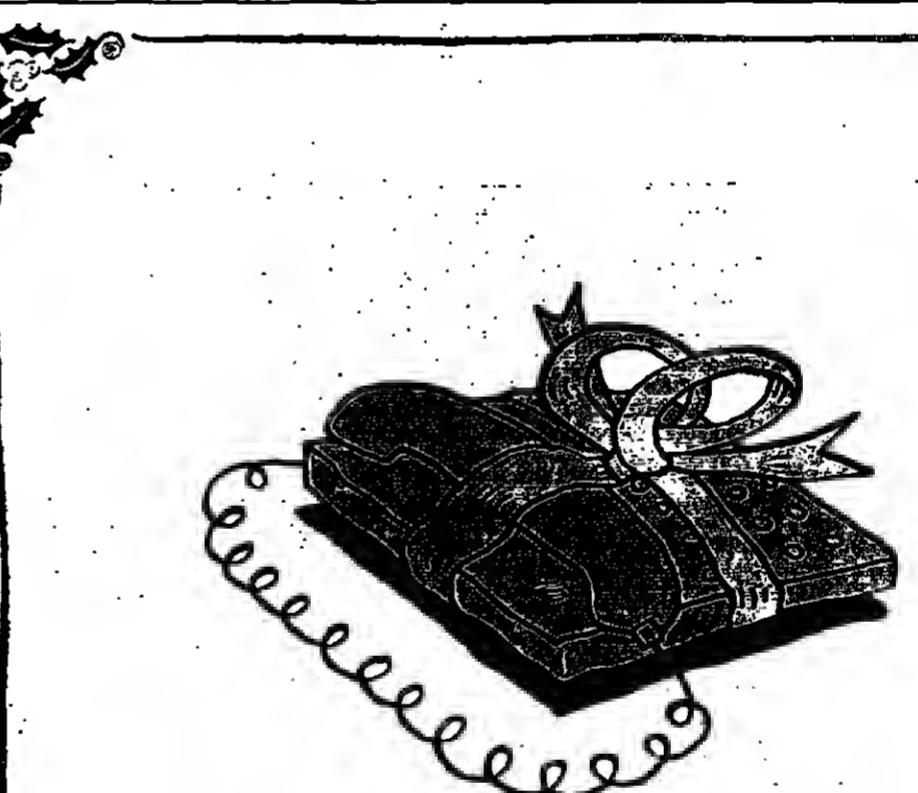
- A term's leaving him shattered? (6)
- Scholarly account, round about a dime out (8)
- Make declaration about old Arah's private compartment (9)
- In poetry, always, that is weird (13)
- West's wrong sort of conductor (7)
- A French party with gin flowing leads to downfall (7)
- Colour which is constant in the ocean (5)
- On tibia being broken, one's limited from the beginning (26)
- Take back tainted monkey in ritual (8)
- Father collects waste product to get title (5)
- Vegetable, very black one, in prison (7)
- Catalogue of best records set to be wiped out? (3,4)
- Job description selfishly makes one irritable? (9)
- Musical composition of fellow worker on continent (8)
- Stop and proceed after change to amber (7)
- Make poor provision about June's bit of winter sport (3,4)
- Experts regularly doubling up means of entry (6)
- A Russian river detected by ear (5)

**DOWN**

- Mule cooked his potato mix (8)
- Take nourishment, eating fish for a change (5,2)
- Yet Tuesday's high tea produces result (9)
- Monopoly feature in a US fund (9,5)
- Fear being late, having to cross river (5)
- Skirt getting into short skirt deserves a drink (7)
- Breaking leg cry for providers of service? (6)
- State game is Murphy's ruination (8,6)
- Job description selfishly makes one irritable? (9)
- Musical composition of fellow worker on continent (8)
- Stop and proceed after change to amber (7)
- Make poor provision about June's bit of winter sport (3,4)
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